

Dominions

No. 66.

64

SECRET.

CONSTITUTIONAL RELATIONS OF THE EMPIRE.

(See Resolution IX. of the Imperial War Conference, 1917.)

CORRESPONDENCE AND PAPERS
1917-1921.

(Continued by Dominions No. 90.)

July, 1923.

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PARLIAMENTARY STATEMENTS RELATING TO THE IMPERIAL WAR CABINET AND THE IMPERIAL WAR CONFERENCE, 1917.

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(a) United Kingdom.

1	To the Governors-General and Governors	Canada Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions	1917 May 28	Transmits copy of a statement made in the House of Commons by the Prime Minister with reference to the holding of an annual Imperial Cabinet to discuss foreign affairs and the aspects of Imperial policy.	1
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(b) Canada.

2	Canadian House of Commons	—	1917 May 18	Extracts from speeches of the Prime Minister (Sir B. Borden) and Sir W. Laurier on the subject of the Imperial War Conference.	2
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(c) New Zealand.

3	House of Representatives	—	1917 July 3	Extracts from debates on the subject of the future Constitution of the Empire.	10
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II.

WORKING OF PARLIAMENTARY INSTITUTIONS WITHIN THE EMPIRE.

Correspondence with the Governor-General of the Commonwealth of Australia.

4	The Governor-General	Secret "P"	1919 July 1 (Rec. Aug. 26)	Considers that there is a great need of an authoritative statement on the various Parliamentary institutions and departmental systems within the Empire, and suggests that reports should be obtained from each of the Dominions which could be tabulated with the section relating to the United Kingdom.	13
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Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject	Page.
5	To the Governor-General	Secret	1919 October 10	Fears that it would not be possible to carry out suggestion in No. 4; states reasons.	14

III.

APPOINTMENT OF GOVERNORS-GENERAL.

(a) Memorandum by the Prime Minister of the Commonwealth of Australia.

6	Mr. W. M. Hughes (Prime Minister)	Confidential.	1919 July 2	Memorandum on the procedure regarding appointments to the office of Governor-General.	14
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(b) Questions in Canadian Senate.

7	Canadian Senate	—	1921 April 5	Extract from debate on the subject of appointments to the office of Governor-General.	15
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IV.

SPEECHES BY LORD MILNER ON THE CONSTITUTION OF THE EMPIRE.

(a)

8	—	—	1919 April 11	Extract from <i>The Times</i> , reporting a speech by Lord Milner at Manchester on Post-War Imperial Policy.	16
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(b)

9	House of Lords	—	1920 June 17	Extract from debates on the subject of the constitutional relations of the Empire.	17
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V.

STATEMENTS BY GENERAL BOTHA AND GENERAL SMUTS AS TO THE POSITION OF THE UNION OF SOUTH AFRICA.

10	—	—	1919 July	Extracts from speeches by General Botha and General Smuts delivered on their arrival in South Africa after the Peace Conference.	21
11	—	—	September	Press extracts from speeches delivered by General Smuts during a tour of the North-West Districts of the Cape Province.	24
12	House of Assembly	—	1920 June 28	Extract from speech on constitutional questions by the Prime Minister (General Smuts).	26

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1920		
13	House of Assembly	Union of South Africa	June 8	Questions regarding the status of the Union asked by Mr. Beyers and General Smuts's replies thereto.	33
14	—	—	December 3	Extract from a speech by General Smuts (Prime Minister) at Pretoria on the danger of secession.	34

VI.

CONFERENCE BETWEEN REPRESENTATIVES OF THE SOUTH AFRICAN PARTY IN THE CAPE PROVINCE AND REPRESENTATIVES OF THE NATIONALIST PARTY IN THE CAPE PROVINCE.

			1919		
15	—	—	October	Extracts from proceedings at Conference between representatives of "South African" and "Nationalist" Parties in the Cape Province.	36

VII.

EXTRA-TERRITORIAL LEGISLATION IN CANADA.

			1920		
16	The Governor-General	92	February 16 (Rec. March 1)	Transmits copies of an approved Privy Council minute, recommending an amendment to the British North America Act to provide that an enactment of the Parliament of Canada, otherwise <i>intra vires</i> , shall operate as if enacted by the Imperial Parliament.	38
17	To the Acting Governor-General	Telegram	May 6	Enquiries with reference to No. 16; what points the proposed amendment is intended to cover beyond the extension of jurisdiction to aircraft registered in Canada or personnel licensed in Canada.	43
18	To Foreign Office, Home Office, War Office, Admiralty, Air Ministry and Board of Trade	—	May 27	Transmits for observations copy of No. 16 and letter to Law Officers respecting the amendment of the British North America Act desired by Canadian Government.	44
19	Foreign Office	—	June 10	Considers that obligations imposed by membership of the League of Nations and the acceptance of the Mandates in respect of the ex-German Colonies render it necessary to confer a right on the Dominions to legislate with effect outside their own borders on matters within their competence. The position of Canada in connection with the Aerial Navigation Convention needs no such wide extension of powers, but might be dealt with as suggested.	47

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1920		
20	Air Ministry	—	June 23	Considers that Dominions must be empowered to pass legislation applying extra-territorially to aircraft, and calls attention to Clause 13 (1) of the Air Navigation Bill.	48
21	Canadian House of Commons	—	June 24	Debate on a resolution, moved by Mr. Doherty (Minister of Justice), to present an Address to His Majesty praying for an amendment of the British North America Act, by the addition of a provision empowering the Canadian Parliament to legislate extra-territorially.	49
22	Canadian Senate	—	June 26	Debate on the proposed Address to His Majesty praying for an amendment of the British North America Act to secure to the Canadian Parliament power to legislate extra-territorially.	51
23	Board of Trade	—	June 28	Encloses Memorandum setting out the bearing upon merchant shipping law of proposed extension to Canada of powers of extra-territorial legislation; considers that any such question should be discussed by representatives of Dominions and H.M. Government in conference.	52
24	War Office	—	July 20	States in reply to No. 18, that there is no objection from a War Office point of view to the proposed legislation as Canadian Government already has such powers under the Army Act, and can apply to Canadian Forces either Army or separate code.	55
25	Home Office	—	August 6	Transmits with reference to No. 18, copy of a Memorandum, reviewing the question with particular reference to the treatment of aliens and naturalisation.	56
26	To Foreign Office	—	August 13	Enquires whether it is correct to infer from No. 19 that Lord Curzon sees no objection to the proposed amendment of the British North America Act, granting to Canada powers of extra-territorial legislation, and, if so, whether this applies in the case of China; encloses copy of Law Officers' Report, expressing the opinion that assent to the amendment should be withheld.	58
27	Admiralty	—	August 19	Conveys the view of the Judge Advocate of the Fleet, that although in the present circumstances there is no overwhelming objection to conferring general powers of extra-territorial legislation on the Canadian Parliament, difficulties may arise in connection with the Naval Discipline Acts, particularly if similar powers are demanded by the other Dominions.	60
28	Foreign Office	—	August 20	States in reply to No. 26 that Lord Milner's interpretation of No. 19 is correct. As regards China, does not consider that Crown right to legislate for all British subjects there will be prejudiced.	61

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
29	The Governor-General	Secret	September 1 (Rec. Sept. 14)	Transmits copy of a letter from the Department of External Affairs setting forth the views of the Minister of Justice on the subject of the proposed amendment of the British North America Act.	61
30	The Deputy Governor General	569	September 8 (Rec. Sept. 21)	Forwards an Address to the King from the Senate and House of Commons, praying that steps may be taken to amend the British North America Act, 1867.	63
31	India Office ...	—	October 11	States, with reference to No. 20, that it would appear to be necessary to obtain further power from Parliament to enable legislation to be undertaken in India with the required extra-territorial effect; enquires whether the Dominion Parliaments are able thus to legislate under their existing powers, and if not, whether it is proposed to introduce Imperial legislation to enlarge their powers.	63
32	To India Office ...	—	October 28	States that matter referred to in No. 31 is being considered in consultation with the Law Officers of the Crown.	64
33	To Admiralty, Home Office, War Office, Board of Trade, and Air Ministry	—	November 2	Transmits copies of enclosure in No. 26 and of Nos. 19-30 and No. 35.	64
34	To Foreign Office ...	—	November 2	Transmits copy of Nos. 20-25, 27, 29, 30, and 35.	65
35	To Law Officers, and Law Officers' Report	—	November 2 November 10	Reference requesting further observations on the proposed amendment of the British North America Act and Report adhering to view expressed in report of 13 July, 1920 (enclosure in No. 26).	65
36	Ditto ...	—	December 20 December 24	Reference as to (1) whether Law Officers consider powers conferred by Section 132 of the British North America Act are sufficient to enable Canadian Parliament to deal with offences against the Air Convention committed outside Canada; and (2) whether apart from treaty obligations, powers for dealing with offences committed outside Canada against Canadian aviation laws could be secured by a Canadian law prohibiting Canadian offenders from re-entry into Canada. Report replying affirmatively to both questions	66
1921					
37	To India Office ...	—	January 21	Communicates opinion of Law Officers on points raised in No. 31.	67
38	To the Governor-General	47	January 21	States that the Address forwarded in No. 30 has been laid before the King and a further communication will be made respecting the measure proposed.	67

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
39	To the Governor-General	Secret	January 21	Communicates with reference to No. 29 purport of No. 38.	68
40	Ditto ...	Separate	January 27	States that there is no objection to Nos. 17 and 39 being treated as non-secret if Ministers so desire.	68
41	India Office...	—	February 2	Enquires whether the Parliaments of the Dominions, other than Canada, possess the powers necessary to carry out their obligations under the Convention, and whether it is proposed to introduce any Imperial legislation extending the powers of the Dominion legislatures. In the latter event the question of introducing simultaneous legislation in Parliament to confer similar powers on the Indian legislature will be considered.	69
42	To India Office ...	—	February 11	States in reply to No. 41, that it is not proposed to introduce into the Imperial Parliament any legislation on the subject, as it would appear from the ruling of the Law Officers that such legislation is not required.	69
43	The Governor-General	Secret	March 2 (Rec. March 16)	Transmits copy of letter from the External Affairs Department setting forth the views of the Governor-General's responsible advisers on the suggestions conveyed in No. 39.	69
44	To Law Officers, and Law Officers' Report	—	May 5 May 31	Reference requesting that another formula be suggested to take the place of that originally proposed, or that objections to the latter be stated. Report expressing the opinion that no other formula can be suggested that would satisfy the Canadian Government and be free from constitutional objection.	71
45	India Office...	—	July 16	Transmits copy of letter to the Air Ministry stating that it is not proposed at present to introduce legislation in the Imperial Parliament to enlarge the powers of the Indian Legislature to legislate with extra-territorial effect.	72
46	To Law Officers, and Law Officers' Report	—	July 22 August 5	Reference enquiring whether the original formula goes beyond the expressed intentions of the Canadian Government; if this is the case, and should the Law Officers still find it impossible to suggest another formula, requests assistance in drawing up a detailed statement for submission to the Canadian Government. Report expressing the opinion that an Act of the Imperial Parliament might be passed on lines indicated which would give effect to the intentions of the Canadian Government without being open to objection on constitutional grounds.	73
47	To the Governor-General	Secret	August 18	Sends with reference to No. 43 an alternative suggestion submitted by the Law Officers for the amendment of the British North America Act respecting extra-territorial legislation.	74

VIII. CANADIAN NATIONALS ACT, 1921.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
48	To Foreign Office and Home Office	—	May 12	Transmits print of Bill to define Canadian Nationals and House of Commons debates thereon, together with copy of the Canadian Immigration Act; invites attention of Foreign Office to the remarks of the Minister of Justice on the International Court of Justice, and on the position of the British Empire as a member of the League of Nations; also to the bearing of the Bill on the position of British subjects under commercial treaties, and as regards Canadian representation at Washington.	75
49	Ditto ...	—	May 21	Transmits revise of print enclosed in No. 48.	75
50	Foreign Office ...	—	June 6	Remarks, in reply to No. 48, upon the statement of the Canadian Minister of Justice regarding the position of the British Empire as a member of the League of Nations, and upon the effect of the Bill as regards the position of Canada under the Air Convention.	112
51	Home Office ...	—	June 22	Has no objection to Clause 1 of the Bill; criticizes Clause 2 as being inconsistent with the establishment of Imperial nationality, and considers every effort should be made to avoid the dangerous consequences of the clause.	112
52	Foreign Office ...	—	June 23	Transmits for concurrence draft circular to H.M. Consular Officers abroad, explaining that the Act does not affect the treatment of Canadian Nationals as British subjects with regard to the questions of British nationality, protection abroad, or the issue of passports.	113
53	To Foreign Office ...	—	September 15	Replies to points raised in No. 50.	114
54	To Home Office ...	—	September 15	Explains, in reply to No. 51, that it is considered undesirable to make representations to the Canadian Government regarding Section 2 until it has been decided whether the Act gives rise to difficulties in other respects, especially as regards the definition of Canadian Nationals in Section 1; encloses copy of Nos. 48, 50, 52, and 53, and Press cuttings, showing that the Union of South Africa contemplate introducing similar legislation.	114
55	Home Office ...	—	October 18	Considers that while points referred to in No. 54 should not be lost sight of, the basis of criticism of the Act should be the considerations set forth in No. 51; discusses Section 2, and suggests that it be pointed out in any representations to the Canadian Government that the matter is one for discussion at an Imperial Conference.	116

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
56	To Foreign Office ...	—	October 31	Transmits copy of Nos. 55 and 57, and of the Canadian Nationals Act; and concurs in the draft circular enclosed in No. 52.	116
57	To Home Office ...	—	October 31	Transmits copy of the Canadian Nationals Definition Act, and of No. 56; corrects Home Office statement that Section 2 of the Bill was introduced as an afterthought.	117

IX. CANADIAN REPRESENTATION AT WASHINGTON.

1917					
58	To the Governor-General	Telegram	October 15	Transmits message received from the Canadian Prime Minister, drawing attention to the need for a Canadian representative at Washington, and proposing to appoint Mr. Hazen as High Commissioner.	117
59	The Governor-General	Telegram	October 19 (Rec. Oct. 20)	Submits observations as to the appointment of proposed Canadian representative at Washington.	118
60	To the Governor-General	Telegram Secret	October 26	Asks for an exact statement of his Prime Minister's views as to the appointment of a Canadian representative at Washington.	118
61	The Governor-General	Telegram	November 1 (Rec. Nov. 2)	Communicates message from Prime Minister, giving reasons for the proposed appointment of a Canadian representative in the U.S.	119
62	Ditto ...	Telegram Secret	(Rec. Nov. 6)	Transmits message from Prime Minister, conveying decision to defer consideration of the question of representation at Washington until after the election.	120
1919					
63	Ditto ...	Telegram	October 9 (Rec. Oct. 4)	Urges the desirability of establishing without delay diplomatic representation between Canada and United States; indicates lines on which proposal might be carried out.	120
64	To the Governor-General	Telegram	October 28	States views on proposal in No. 63.	121
65	The Governor-General	Telegram	December 19 (Rec. Dec. 20)	States that Ministers concur generally in views expressed in No. 64, but consider that Canadian Government should participate formally in official notification to the United States Government.	122
66	Ditto ...	Telegram Confidential	December 19 (Rec. Dec. 20)	Transmits message from Prime Minister suggesting that a public announcement be made in London and in Canada when the matter of Canadian representation in the U.S. is finally settled.	123

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
67	To the Governor-General	Telegram	February 2	Indicates the constitutional procedure for accrediting a Minister from one State to another.	123
68	Ditto ...	Telegram	February 2	Suggests arrangements which might suitably be made for the public announcement of the appointment of a Canadian representative at Washington.	123
69	The Governor-General	Telegram	February 5 (Rec. Feb. 6)	States that Ministers concur in procedure proposed in No. 67, but submit an amendment to the phrasing of the King's letter.	124
70	Ditto ...	Telegram	February 6 (Rec. Feb. 6)	States that Ministers concur in suggestion in No. 68.	124
71	Ditto ..	Telegram	February 20 (Rec. Feb. 21)	Enquires whether matter referred to in No. 70 has been taken up with the U.S. Government. It is anticipated that question will be raised in Parliament, which meets next week.	124
72	To the Governor-General	Telegram	February 23	Enquires whether Ministers would accept a modification of the original phrase in terms submitted, in view of the suggestion of dual representation conveyed by amendment proposed in No. 69.	125
73	Ditto ...	Telegram	February 24	States in reply to No. 71 that H.M. Chargé d'Affaires at Washington is being instructed to make communication on lines arranged to Government of U.S.	125
74	The Governor-General	Telegram	February 26 (Rec. Feb. 27)	States that Ministers accept phrase suggested in No. 72.	125
75	Ditto ...	Telegram	(Rec. March 5)	Transmits statement which Canadian Government wish to be made in Canadian and British Parliaments simultaneously announcing the decision to appoint a Canadian diplomatic representative at Washington.	126
76	To the Governor-General	Telegram	March 16	Requests observations on U.S. proposal that the U.S. Government should not be formally asked to give approval of the new system, but that the new Minister should be presented on his arrival at Washington.	127
77	The Acting Governor-General	Telegram	March 16 (Rec. March 17)	States that text of proposed announcement submitted in No. 75 has been telegraphed to the Chargé d'Affaires at Washington and enquiry made as to whether he considers that the State Department would object to the announcement if the last paragraph were omitted.	128
78	To the Acting Governor-General	Telegram	March 10	Suggests with reference to No. 77 that Canadian Government may consider it advisable to send a responsible statesman to Washington at an early date to discuss the procedure for announcing the new appointment.	129

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
79	To the Acting Governor-General	Confidential	March 22	Transmits, with observations, draft of credentials, draft letter of appointment, and suggested points of instruction in connection with the proposed appointment of a Canadian Minister at Washington.	129
80	Ditto ...	Telegram	March 24	Suggests certain amendments to statement in No. 75.	131
81	To the Acting Governor-General	Telegram	March 30	Suggests postponement of proposed visit of Canadian representative pending arrival of new Ambassador, who sails on 10th April.	131
82	The Acting Governor-General	Telegram	April 1 (Rec. April 2)	States his Government's views as to the precedence to be accorded to the Canadian Minister in Washington.	131
83	Ditto ...	Telegram	April 1 (Rec. April 2)	States in reply to No. 81 that for reasons given it was thought better to adhere to original arrangement. The Canadian Minister left for Washington on the 31st March.	132
84	To the Acting Governor-General	Telegram	May 4	Explains, with reference to No. 82, the precedence accorded to representatives of certain German States and to His Majesty's Minister at Paris.	132
85	The Acting Governor-General	Telegram	May 5 (Rec. May 6)	Suggests that an announcement respecting Canadian representation at Washington should be made simultaneously to Imperial and Canadian Parliaments on Friday, 7th May.	132
86	To the Acting Governor-General	Telegram	May 6	Suggests in reply to No. 85 that announcement be postponed until Monday, 10th May.	133
87	The Acting Governor-General	Telegram	May 6 (Rec. May 7)	Agrees to course proposed in No. 86.	133
88	Ditto ...	Telegram	May 7 (Rec. May 8)	Sets forth views of his Government regarding the precedence to be accorded to the Canadian Minister at Washington.	133
89	To the Governor-General	Commonwealth of Australia, Union of South Africa, New Zealand, Telegram	May 10	Communicates text of statement to be made on 10th May in Imperial Parliament and in Canada regarding the appointment of a Canadian representative at Washington.	135
90	House of Commons ...	—	May 10	Question asked by Sir D. Maclean regarding the appointment of a Canadian Plenipotentiary to the United States and Mr. Bonar Law's reply thereto.	136
91	The Governor-General	331	May 15 (Rec. June 3)	Transmits Parliamentary report of the announcement respecting the appointment of a Canadian representative at Washington; observes that a request was made for tabling the correspondence.	136
92	Canadian House of Commons	—	May 17	Debate on the subject of the representation of Canada at Washington.	137

CONSTITUTIONAL RELATIONS OF THE EMPIRE.

xi

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1920		
93	The Governor-General	Telegram	May 15 (Rec. May 15)	States that Ministers consider the publication of correspondence regarding Canadian representation at Washington would not be in the public interest, as it deals largely with points respecting which the United States Government evidently feel public discussion undesirable; requests views of His Majesty's Government.	171
94	To the Governor-General	Telegram	May 27	Concurs in view expressed in No. 93.	171
95	Sir G. Perley (High Commissioner) to Sir G. Fiddes (Colonial Office)	—	May 20	Enquires whether the Canadian Minister now appointed would have precedence over the other Ministers (not Ambassadors) if he remained in office so long that all the foreign Ministers had been changed in the meantime.	172
96	Sir G. Fiddes (Colonial Office) to Sir G. Perley (High Commissioner)	Confidential	June 8	Replies to point raised in No. 95.	172
97	Canadian House of Commons	—	June 30	Extract from debate on the subject of appropriation for Canadian representation at Washington.	173
98	The Deputy Governor-General	255	April 22 (Rec. May 9)	Transmits copy of debate in Canadian House of Commons on the question of the appointment of a Canadian Minister at Washington, and Press cuttings commenting on the debate.	189

I.

PARLIAMENTARY STATEMENTS RELATING TO THE IMPERIAL WAR CABINET AND THE IMPERIAL WAR CONFERENCE, 1917.

(a) United Kingdom.

23399

No. 1.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.
(Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.)

Dominions No. 320.)

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 28th May, 1917.

I HAVE the honour to transmit to [Your Excellency.] [you,] for the information of your Ministers, copies of the official report* of the proceedings in the House of Commons on Thursday, 17th May, 1917, in columns 1786-7 of which will be found the Prime Minister's statement with reference to the holding of an annual Imperial Cabinet to discuss foreign affairs and other aspects of Imperial policy.

I have, &c.
WALTER H. LONG.

Enclosure in No. 1.

HOUSE OF COMMONS, THURSDAY, 17TH MAY, 1917.

THE PRIME MINISTER (MR. LLOYD GEORGE): I think that I ought to report to the House a very important decision that was arrived at as a sequel to the recent meetings of the Imperial War Cabinet. It is desirable that Parliament should be officially and formally acquainted with an event that will constitute a memorable landmark in the constitutional history of the British Empire. The House will remember that in December last His Majesty's Government invited the Prime Ministers or leading statesmen of the Overseas Dominions and of India to attend the sittings both of the Cabinet and of an Imperial War Conference to be held in this country. It is to the former body, which assembled in March, and held fourteen sittings before separating, that I desire to refer. The British Cabinet became for the time being an Imperial War Cabinet. While it was in session its Overseas Members had access to all the information which was at the disposal of His Majesty's Government, and occupied a status of absolute equality with that of the members of the British War Cabinet. It had prolonged discussions on all the most vital aspects of Imperial policy, and came to important decisions in regard to them—decisions which will enable us to prosecute the War with increased unity and vigour, and which will be of the greatest value when it comes to the negotiation of peace. I should like to add, on behalf of the Government, that the fresh minds and new points of view which our colleagues from over the seas have brought to bear upon the problems with which we have been so long engrossed has been an immense help to us all. So far as we are concerned we can say with confidence that the experiment has been a complete success.

The conclusions of the Imperial War Cabinet are of necessity secret, but there is one aspect of them which we feel ought to be communicated to the House without delay. The Imperial War Cabinet was unanimous that the new procedure had been of such service, not only to all its members, but to the Empire, that it ought not to be allowed to fall into desuetude. Accordingly, at the last session, I proposed formally, on behalf of the British Government, that meetings of an Imperial

* Hansard, Volume 93, No. 60.

Cabinet should be held annually or at any intermediate time when matters of urgent Imperial concern require to be settled, and that the Imperial Cabinet should consist of the Prime Minister of the United Kingdom and such of his colleagues as deal specially with Imperial affairs, of the Prime Minister of each of the Dominions or some specially accredited alternate possessed of equal authority, and of a representative of the Indian people to be appointed by the Government of India. This proposal met with the cordial approval of the overseas representatives, and we hope that the holding of an annual Imperial Cabinet to discuss foreign affairs and other aspects of Imperial policy will become an accepted convention of the British Constitution.

I ought to add that the institution in its present form is extremely elastic. It grew not by design, but out of the necessities of the War. The essence of it is that the responsible heads of the Governments of the Empire with those Ministers who are specially entrusted with the conduct of Imperial policy should meet together at regular intervals to confer about foreign policy and matters connected therewith, and come to decisions in regard to them, which, subject to the control of their own Parliaments, they will then severally execute. By this means they will be able to obtain full information about all aspects of Imperial affairs and to determine by consultation together the policy of the Empire in its most vital aspects, without infringing in any degree the autonomy which its parts at present enjoy. To what constitutional developments this may lead we did not attempt to settle. The whole question of perfecting the mechanism for "continuous consultation" about Imperial and foreign affairs between the "autonomous nations of an Imperial Commonwealth" will be reserved for the consideration of that special Conference which will be summoned as soon as possible after the War to readjust the constitutional relations of the Empire.* We felt, however, that the experiment of constituting an Imperial Cabinet, in which India was represented, had been so fruitful in better understanding and in unity of purpose and action that it ought to be perpetuated, and we believe that this proposal will commend itself to the judgment of all the nations of the Empire.

(b) Canada.

35269

No. 2.

EXTRACTS FROM THE DEBATES OF THE CANADIAN HOUSE OF COMMONS, FRIDAY, 18TH MAY, 1917.

RIGHT HONOURABLE SIR ROBERT BORDEN (Prime Minister): Mr. Speaker, as honourable members of this House are aware, on the 20th December last the Prime Minister of the United Kingdom summoned the Prime Ministers of the Overseas Dominions to meet in London with the members of the British Cabinet in conference. The proposed gathering was designated the Imperial War Conference. The purposes of the conference, as detailed in the telegram which was received, were to take counsel with each other:

First, as to matters connected with the prosecution of the War;

Second, as to the terms upon which peace might be made;

Third, as to the problems which would arise immediately after the conclusion of peace.

Parliament was summoned at an earlier date than was at first intended in order that the representatives of Canada might arrive in Great Britain at the time designated. It was at first proposed that the first meeting of the Imperial War Cabinet should be held during the last week of February. We left Ottawa on the 12th day of February and arrived in London on the 23rd day of that month. Unfortunately, through delay in the arrival of the representatives of India and of South Africa, the formal proceedings of the Imperial War Cabinet did not commence until a somewhat later date. We left Canada at a very interesting time. Germany had announced, just two weeks before, the commencement of an unprecedented and ruthless submarine campaign, and we had the experience in crossing

* Secretariat Note.—See page 52 of Dominions No. 73.

the Atlantic of driving through fog at full speed without lights and without the sound of any fog-horn, a course which, in time of peace, would be regarded as madness itself, if not absolutely criminal. I mention this to indicate to honourable gentlemen in this House the conditions under which ocean travel must now be undertaken, and as an object lesson in the perils to British and Allied shipping through the waging of this campaign, of which I shall have something more to say at a subsequent stage of my remarks.

We all greatly regretted the fact that Australia could not be represented in the Imperial War Cabinet or in the Imperial War Conference. For some time after our arrival it was expected that the representatives of Australia would arrive before the proceedings had been concluded, and it was proposed that the consideration of all important matters in which Australia was especially interested should be delayed until their arrival. However, as it turned out, the representatives of Australia were not able to attend, and under the circumstances the best that could be done was to inform the Australian Ministry from day to day of the proceedings of the Imperial War Cabinet and the Imperial War Conference, and especially with the nature of any resolutions or proposals in which the Commonwealth of Australia might be especially interested.

Although there was some delay, the Canadian representatives did not find the time hanging heavily on their hands. There were certain meetings of the British Cabinet which we attended before the formal meetings commenced on the 20th March; and in the meantime we utilized every opportunity to visit Canadian camps and hospitals, to visit the troops in France, and to take up very many matters of importance, and some of them of urgency, in connexion with the prosecution of the War.

The first meeting of the Imperial War Cabinet was held on Tuesday, the 20th March, and the first meeting of the Imperial War Conference was held on Wednesday, the 21st March. Six meetings were held in each week, three of the Imperial War Cabinet and three of the Imperial War Conference, and except for a short recess at Easter this continued until our visit was concluded. I am not confident that it was originally intended to hold an Imperial War Conference as well as an Imperial War Cabinet; but after the proposal for holding an Imperial War Cabinet had been launched, it became obvious that there were certain matters more or less connected with the War which might, with advantage, be discussed in conference between the Dominions and India.

The genesis of the Imperial War Cabinet is to be found in the events of this War. Everyone has realized the somewhat anomalous position of the self-governing nations of the Empire in respect of questions which concern foreign policy and foreign relations. It is abundantly clear that the Self-governing Dominions are vitally interested in those questions which involve the issues of peace and war. In the event of a great war, threatening in any way the existence of our Empire or its status, the Self-governing Dominions being at war when the Mother Country is at war must inevitably take their part; and thus they are directly concerned with the causes out of which war may arise. If we take an example from the events which have been transpiring during the past two years, we observe that some at least of the causes out of which this War sprang arose before this Dominion had an existence. We observe, further, that some at least of the causes for which our Empire took up arms were concerned with treaties and understandings in which the Overseas Dominions of this Empire had no voice and no part; but Canada and the other Dominions took up arms because they realized that the issues involved transcend all others within our experience, and concern the future of every Dominion, the future of the United Kingdom, the future of the Empire as a whole, and, indeed, the future of the world.

And so, without any hesitation whatever, every Self-governing Dominion took up arms, and India as well, and their participation has been whole-hearted. Two years ago, in London, I said that the Overseas Dominions of the Empire had sent to fight for the cause of justice and of liberty in this war not less than 250,000 men. I said with equal truth in London, not more than a month ago, that those Dominions have called to arms in the present struggle not less than 1,000,000 men. So, under those conditions, and having regard to the part which the Overseas Dominions of the Empire have taken, it was obviously necessary that the pledge given by the British Government in the early months of the War to consult as to the terms of peace must be fulfilled in substantial measure. And as that question was to come under consideration, so also it was thought desirable and proper that questions of

co-operation in the prosecution of the War and problems which will arise on its conclusion should also come under consideration by the British Cabinet and the representatives of the Dominions assembled in the first Imperial Cabinet ever held. The flexibility of the British Constitution permitted this to be done. We all realize that that Constitution is based on usage developed slowly and gradually into convention. The Cabinet is not known to the formal enactments of the law, neither is the office of Prime Minister; and yet all of us realize how important, how supreme a place the Cabinet of Great Britain or of any of the Dominions has in the Government of the country. And so with the office of Prime Minister of the United Kingdom. To it is attached a power and an importance which, in events such as those through which we are passing, permit him to exercise that power and that influence for great purposes made necessary by great events. And so the Prime Minister of Great Britain and Ireland called together the Prime Ministers of the Overseas Dominions to sit in Council with the five members of the British Cabinet. In taking that course he absolutely disregarded precedent. As he himself said most eloquently in his address at the Guildhall: "This is not a time in which one could justify too rigid an adherence to precedent, or even to tradition." It is a remarkable fact in our history that constitutional development has seemed to depend more upon events than upon men. The events of this War make it absolutely necessary that the Overseas Dominions should have the voice to which I have alluded, and, having that voice, it was natural, and more than that, necessary, that they should be assembled in an Imperial War Cabinet.

It was a remarkable body that was gathered together. First there were the members of the Cabinet of the United Kingdom, the five men who constitute that Cabinet, but who call into counsel with them other members of the British Government whenever necessary. These five men, with representatives of India and of the Dominions, met for the purpose of dealing with matters of common concern touching the whole Empire. While we were in London and in the very early days of the sessions of the War Cabinet, a further remarkable development took place. It also arose out of the necessity imposed by events, and I am thoroughly confident that it was not premeditated or designed when the Imperial War Cabinet was first summoned. The Crown acts in the United Kingdom and in all the Self-governing Dominions of the Empire; it acts in the United Kingdom upon the advice of the Ministers of the United Kingdom; it acts in each of the Dominions upon the advice of the appropriate Ministers; in Federal affairs upon the advice of Federal Ministers; in Provincial and State affairs, upon the advice of Provincial and State Ministers. It is the same Crown throughout, acting upon the advice of different Ministers. That tie of allegiance to the Crown is the tie which chiefly binds together the Empire to-day so far as constitutional considerations are concerned.

We sat on alternate days in the Imperial War Cabinet and in the Imperial War Conference. On days when the Imperial War Cabinet did not sit the War did not wait; therefore it was necessary that the British Cabinet itself should sit on those days to deal with questions arising out of the War. This result, therefore, very early obtained: that the Imperial War Cabinet was differentiated from the British War Cabinet; that the Imperial War Cabinet sat for the purpose of dealing with matters of common concern to the whole Empire, and the British War Cabinet sat for the purpose of dealing with those matters which chiefly concerned the United Kingdom.

There was for the first time in London an Imperial War Cabinet. But there was more than that. There were two Cabinets advising the Crown, one an Imperial War Cabinet advising the Crown in respect of matters of common Empire concern, and the other a British War Cabinet advising the Crown in respect of matters which chiefly concerned the affairs of the United Kingdom. I do not mean to suggest that this differentiation was absolute; it was carried out as best it could be carried out. I ventured to bring the subject to the attention of the statesmen of the United Kingdom and the people of the Empire in an address which I delivered in London before the Empire Parliamentary Association in the early weeks of my arrival there. The idea has so impressed itself upon the people of the United Kingdom, and upon their statesmen, that at the very last meeting of the Imperial War Cabinet a definite offer was made to the Overseas Dominions; that this experiment should be continued in the future; that it should develop into a usage and into a convention; and that annually at least, and, if necessity should arise, oftener, there should assemble in London an Imperial Cabinet to deal with matters of common concern to the Empire.*

* See page 1 of this volume.

It is perfectly obvious that such a proposal of that kind cannot include the large Cabinet to which Great Britain may revert after this War is over. It is idle to speculate or to conjecture as to whether the present system of a very small number of men in the Cabinet will continue; I think it likely that it will not continue. Therefore the future of this proposal will be a Cabinet of Governments rather than of Ministers; a Cabinet in which the Government of the United Kingdom, the Governments of the Dominions, and the Government of India will be represented. Having regard to the declarations of the Prime Minister of the United Kingdom and his colleagues, the proposal will carry with it much of advantage to the Overseas Dominions. I say that for this reason: it is not proposed that the Government of the United Kingdom shall, in foreign affairs, act first and consult us afterwards. The principle has been definitely and finally laid down that in these matters the Dominions shall be consulted before the Empire is committed to any policy which might involve the issues of peace or war. The language in which the Prime Minister of Great Britain conveyed his proposal to the Ministers from the Dominions made that abundantly clear. So, as I understand the proposal—and I think I understand it correctly—the British Cabinet shall continue to discharge its functions in respect to all matters relating to the United Kingdom, but there shall be also an Imperial Cabinet, in which not only the United Kingdom, but all the Overseas Dominions shall be represented by their Governments.

The representatives of the United Kingdom will consist of the Prime Minister, the Foreign Secretary, the Secretary of State for India, the Secretary of State for the Colonies, and very probably the Secretary of State for War, and the First Lord of the Admiralty. The representatives of the Overseas Dominions shall be their Prime Ministers, and if the Prime Minister is unable to attend some Minister of first rank must attend in his place, who, for the time being, shall possess the authority and exercise the functions of the Prime Minister for that purpose. It is idle to have an Imperial Cabinet unless those who assemble around the council board are possessed of the authority for the time being to carry out the proposals which may be agreed to. It may be said, in criticism of this proposal, that what the Prime Minister of one of the Dominions might there agree to, he could not afterwards carry out, because the assent of Parliament might be withheld. That criticism, however, is equally applicable to any policy that a Government might bring down, and, therefore, it does not seem to constitute a grave objection to the proposal which has been outlined by Mr. Lloyd George.

We all know that the future constitutional relations of the Empire have been a matter of much discussion in Parliaments, in the Press, and by constitutional writers and others. We also know that men who have given thoughtful and careful study to the subject have been much perplexed as to what those future relations may be. We have, on the one hand, self-government enjoyed by each of the Overseas Dominions; we have that autonomy of which they are rightly jealous. We have, on the other hand, the necessity of consultation and co-operation; and how to reconcile the aspirations of the Overseas Dominions on the one side or on the other, to bring about unity and concentration of purpose in great matters of public concern and at the same time to safeguard the rights of self-government which the Overseas Dominions at present enjoy, has been a matter involved in much difficulty and complexity. It seems to me that many of the difficulties are likely to be cleared away by the proposal of Mr. Lloyd George. I do not pretend to prophesy that this will be the ultimate form in which necessary consultation and co-operation will be brought about. It would be idle to pass any conjecture on that subject; so many prophecies have failed of fulfilment that one is naturally unwilling to commit himself to any prophecy on the subject. But this at least may be said of Mr. Lloyd George's proposal: it does not sacrifice in the slightest degree the autonomy or the power of self-government which is possessed by each of the Dominions. The Ministers from overseas go there as the heads of their Governments. They are responsible to their own Parliaments; as the Prime Minister of the United Kingdom goes there responsible to his Parliament.

They go there as the representatives of independent Governments, each responsible to independent Parliaments. They meet there for the purpose of consultation, co-operation, and united action, but that action can be taken only with the sanction and authority of the representatives of the various nations of the Empire assembled in their own Parliaments. Therefore, there is no sacrifice of any existing power of self-government. There is, on the other hand, opportunity for consultation, co-operation, and united action, which I venture to think will prove of great advantage to the Empire as a whole.

The deliberations of the Imperial War Cabinet were necessarily secret. They covered almost every conceivable subject connected with the prosecution of the War, the terms of peace, and the problems to arise after the conclusion of the War. I was greatly impressed with the enormous variety and vast complexity of the problems that have to be taken into consideration by the British Government from day to day. I made it my business, when I first went to London, to go to the offices of the British War Cabinet for the purpose of examining the correspondence just for a single day. Before we arrived in London, all precedents had been cast aside in the methods of the British War Cabinet. When, in 1912, I sat for the first time in that Cabinet, it was an unwritten law that no record should be made of its proceedings, and that no member of the Cabinet should make any note of the conclusions arrived at. In Great Britain administration is not carried on in the same way as here. Our Cabinet is a cabinet of the Privy Council. Matters are dealt with in recorded form. We pass Orders-in-Council, sitting as a Cabinet, sitting [as] a Committee of the Privy Council. The meetings of the Privy Council in Great Britain are formal affairs, and the meetings of the Cabinet are absolutely apart and distinct from the formal meetings of the Privy Council, in which no debate takes place, and in which the proposals placed before the Privy Council are accepted as a matter of course. The British War Cabinet, as constituted when we arrived in Great Britain, kept a complete record of its proceedings; it had half a dozen secretaries at least, several of whom attended each meeting; resolutions were passed and conclusions were recorded in writing. All precedents of the past had been put to one side, and entirely new methods had been adopted. Voluminous records are kept in the offices of the War Cabinet. The day I examined the correspondence of the War Cabinet I suppose there were at least two hundred telegrams dealing with every conceivable subject, with matters arising in almost every country, neutral, Allied, or enemy, in the world. There were questions arising in all parts of the world—from every country in the world there pours in from day to day correspondence regarding matters requiring the attention, not only of the Foreign Office, but of almost every department of the British Government. I am bound to confess that my visit to London gave me a wider and clearer view than I could otherwise possibly have obtained of the tremendous duties and responsibilities imposed upon the British Government in this War.

So far as the deliberations of the War Cabinet are concerned, I can speak of them only generally; they will be alluded to in my subsequent remarks. I might, however, be permitted to read to the House a letter which I addressed to Mr. Lloyd George on the 30th of April, shortly before my departure from England, and the reply which I received from him. My letter reads:—

DEAR MR. LLOYD GEORGE,

As we are about returning to Canada I desire to express the thanks of the Canadian Ministers for the courtesy and consideration extended to us on all occasions and for the opportunities afforded to make ourselves fully acquainted with the highly important subjects which have come under consideration in the Imperial War Cabinet. The deliberations in which we have taken part have made us realize more fully the vastness and complexity of the problems involved in the successful prosecution of the War and in the determination of the conditions on which peace might be made.

While our absence from Canada has been greater than we anticipated or desired, we realize that the purpose for which we crossed the Atlantic could not have been accomplished within a shorter period.

The step which you have taken in summoning the Imperial War Cabinet is a notable advance in the development of constitutional relations, and I am confident that the usage thus initiated will gradually but surely develop into a recognized convention.

I pray that the united effort of our Imperial Commonwealth may speedily be rewarded with such decisive victory as will assure an abiding peace.

Believe me,

Yours faithfully,

R. L. BORDEN.

To which Mr. Lloyd George replied on the 2nd of May:—

MY DEAR SIR ROBERT,

I AM very much obliged to you for your kind letter of 30th April.

I should like to say how much we have appreciated the promptitude with which you accepted our invitation to attend the meetings of the Imperial War Cabinet under circumstances which involved a grave measure of risk for yourself and your colleagues, and our request that you should delay your departure until all the important business which had to come before us had been concluded. I feel, however, that you will agree with me in thinking that the work which the Imperial War Cabinet has done has amply justified the requests which we have made of you. I cordially agree with what you say about the importance of its meetings. If they have been of value to you, we have found them of not less value to ourselves.

It has been of immense advantage to bring to bear upon the vital problems of war and peace fresh minds and fresh angles of vision from the Overseas Dominions. I believe that this new experiment will prove, as you suggest, a permanent convention of our Constitution, for its recent meetings have unquestionably contributed not only to unity of purpose among the peoples of the Empire, but to the vigour with which we hope to prosecute the War and the clear-sightedness with which we shall enter upon the negotiations for peace.

Yours sincerely,

D. LLOYD GEORGE.

SIR SAM HUGHES: I do not understand from my right honourable friend's remarks the duties or the functions of the present British Cabinet. As I understand it, there is an Imperial War Cabinet, a British War Cabinet, and a British Cabinet. What are the functions of the British War Cabinet as distinct from those of the British Cabinet and the Imperial War Cabinet?

SIR ROBERT BORDEN: The Imperial War Cabinet advise the Crown in respect to all matters connected with the prosecution of the War. The British War Cabinet advise the Crown more especially in matters concerning the work of the United Kingdom in the War.

SIR SAM HUGHES: That is not the British War Cabinet.

SIR ROBERT BORDEN: We call it the British War Cabinet. The "British War Cabinet" and the "British Cabinet" are interchangeable terms. In Great Britain it is called the War Cabinet. I alluded to it as the British War Cabinet for that reason.

SIR SAM HUGHES: I understand that Ministers who are not members of the British War Cabinet are nevertheless members of a general British Cabinet.

SIR ROBERT BORDEN: My honourable friend overlooks the fact that in Great Britain all the members of the Government are not members of the Cabinet.

SIR SAM HUGHES: I know that.

SIR ROBERT BORDEN: The Cabinet has been made a very small one of only five members, two of whom have no portfolios.

SIR SAM HUGHES: That is the point I want to make clear.

SIR ROBERT BORDEN: The other members of the British Government are not members of the British Cabinet, but they are called into consultation in the British Cabinet whenever matters especially concerning their departments come up for consideration. In future, however, when the British Cabinet will probably be larger than it is to-day, the Imperial Cabinet will consist not of the whole British Cabinet, but of certain selected Ministers, that is to say: the Prime Minister, the Foreign Secretary, the Secretary of State for War, the First Lord of the Admiralty, the Secretary of State for the Colonies, and the Secretary of State for India. They will represent the British Cabinet in the Imperial War Cabinet, and the Overseas Dominions will be represented in that Cabinet by their Prime Ministers.

As to the Imperial War Conference. Some of its deliberations and resolutions are for the present confidential, and will not be published at once, but the greater portion have been made public. A Blue-book is now in preparation, and as soon as it is received it will of course be placed upon the table of the House and printed for the use of members. The subjects under consideration included the Constitution of the Empire, the development and control of natural resources, Imperial preference, co-ordination of military equipment and stores, production of naval and military munitions and supplies, naval defence, care of soldiers' graves, naturalization, representation of India at future Imperial Conferences, the position of Indians in the Self-governing Dominions, removal of temptations to which overseas troops are now exposed, trade commissioners' service, patents, and other subjects.

The question of constitutional readjustment naturally came up for consideration. I think it is advisable that I should speak of that in the first instance, although it was not the first resolution passed. I shall not speak in detail of all the resolutions that were passed, but will only allude to the more important ones, and if any discussion is required as to the others, it can more conveniently be had after we have the full record of the proceedings of the Conference before us, so far as it can be made public. I called into informal consultation the Ministers from the other Dominions, and we discussed the question of constitutional readjustment pretty fully and carefully among ourselves. In the end we found that we were not very far apart in our views, and in the net result I had the honour of moving in the Conference this resolution. I should say at this point that all the proposals which have been put forward by the Prime Minister of the United Kingdom with regard to an Imperial Cabinet are subject to the conclusions which may eventually be reached by the Conference mentioned in the following resolution:—

The Imperial War Conference are of opinion that the readjustment of the constitutional relations of the component parts of the Empire is too important and intricate a subject to be dealt with during the War, and that it should form the subject of a special Imperial Conference to be summoned as soon as possible after the cessation of hostilities. They deem it their duty, however, to place on record their view that any such readjustment, while thoroughly preserving all existing powers of self-government and complete control of domestic affairs, should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth, and of India as an important portion of the same, should recognize the right of the Dominions and of India to an adequate voice in foreign policy and in foreign relations, and should provide effective arrangements for continuous consultation in all important matters of common Imperial concern, and for such necessary concerted action, founded on consultation, as the several Governments may determine.

Now, I am aware that some criticism from a certain standpoint may be made of that proposal, because it may be said that it does not lead to a sufficiently close organization of the Empire. There have been proposals put forward for an Imperial Parliament which should have taxing powers for certain purposes over all the Dominions as well as over the United Kingdom. As far as I am concerned, and I think the other members of the Conference thoroughly concurred in this view, I regard that proposal neither feasible nor wise.

SOME HONOURABLE MEMBERS: Hear, hear.

SIR ROBERT BORDEN: I venture to think that the Dominions have done more for the common cause that we all have at heart in this War than could have been accomplished by any Imperial Parliament possessing the powers to which I have alluded.

SOME HONOURABLE MEMBERS: Hear, hear.

SIR ROBERT BORDEN: And I think that the best guarantee of what the Dominions are prepared to do for a great common purpose in the future is the record of what they have done during the past three years. I should say this, however, in justice to those who have been advocating different views with great ability and with great earnestness, that I do think all the Parliaments and peoples of the Empire are greatly indebted to the groups of young men in the Mother Country and throughout the Empire who have taken up this subject and studied it and issued many able publications with regard to it. Their work has been most earnest, unselfish, and devoted, and it has had this good effect; it has concentrated the opinion of the great mass of the people upon these problems of great common concern. So while I am unable to accept some of the conclusions which they have reached, I nevertheless feel that the Empire lies under a debt of gratitude for the work which they have done in that regard. This resolution was accepted unanimously by the Conference. I am happy to say that from first to last in all the proceedings of the Conference there was not one dissenting voice from any conclusion which the Conference reached. Every conclusion was absolutely unanimous, and I think this was perhaps due to the fact that certain subjects which did involve difficulty were first taken up informally in private discussion, and a conclusion was thus reached.

I should say this, further: a special Imperial Conference is to be summoned immediately after the War for the purpose of considering constitutional readjustment. I raised the question, and so did others, as to the constitution of that conference. As far as I am concerned I entertained the view, and I know that it was shared by others, that such a conference should include representatives of the recognized political parties in all the Dominions of the Empire. This is too great a question to be made a matter of party controversy, and if I should have anything to do with the selection of the representatives of Canada at that special conference, I desire now to say, without any qualification, that I should ask the leaders of the opposite party to go with me to that conference, and to take counsel with each other and with the other members of the conference as to these vital questions.

RIGHT HONOURABLE SIR WILFRID LAURIER: Mr. Speaker, when, in the month of December last, the official news came from the other side that the Government of Canada had been invited to a Conference, to take place at an early date in London, upon questions connected with the War, although at that time Parliament had been summoned to meet early in January, we on this side of the House at once decided that we would offer no objection whatever to the absence of the Ministers who would go to London. We did not see that there was any special urgency for the Conference, such as would interfere with the business of Parliament. Notwithstanding, we determined that we would not offer any objection, but that, on the contrary, we would, in so far as it lay in our power, facilitate the business of the House in order to permit of the absence of the Ministers. Although we did not

see the immediate object of the Conference, although it would have seemed that there was no urgency, we thought that there might be questions of the organization of the armies, of the construction of ships, of the production of foods, of the supplying of munitions, which were of such consequence as to make it necessary or advisable for the Government of the Mother Country to confer with the Governments of the Overseas Dominions. Therefore, we at once assented to the proposal that Parliament should adjourn to enable the Prime Minister and the colleagues by whom he was to be accompanied to attend the Conference.

Now, we have the result of that Conference, and my right honourable friend will agree with me, as I am sure that every member of this House will agree, that the result of the Conference, in so far as any practical action that has been taken, amounts to very little. My right honourable friend has told us that the only concrete thing which has come out of this Conference is that we are to have an Imperial War Council. That seems to be a very ambitious designation for the assemblage of gentlemen, or the body, which is to be known by the name of the Imperial War Council.

It seems to me to be rather a misnomer, calculated to lead men to indulge in fancies and dreams, rather than to impress itself on the judgment of serious men. You have an Imperial War Cabinet composed of five members of the Imperial Cabinet, of one member of the Cabinet of each of the different Overseas Dominions, and of representatives of India. My right honourable friend stated that the duty of the Imperial War Cabinet is to advise the Crown upon all matters of Imperial concern; matters which concern the whole British Empire. This Cabinet is to advise the Crown. What Crown? The Crown in Great Britain, the Crown in Canada, the Crown in Australia, the Crown in New Zealand, the Crown in South Africa, the Crown in Newfoundland, and the Crown in India—because under our present system of Government the Crown is represented by Ministers who advise it in all these different countries. The Imperial War Cabinet can conclude nothing. We are familiar with the declaration made some weeks ago by Mr. Bonar Law to the effect that the Imperial Cabinet was at once executive and consultative. With all respect to the opinion of Mr. Bonar Law, this is a statement which cannot be accepted as it was uttered. The Imperial War Cabinet has no executive power; it can report, it can pass judgment, it can come to conclusions upon any subject; but its conclusions achieve nothing; they are simply reported to the Crown in Parliament in Great Britain; in the different countries overseas, and in India. And when such a report has been made it may be accepted by one Parliament and rejected by the other. We have already had such a case. In 1911, the last Imperial Conference of that year decided to adopt a system of naval zones to be patrolled by the navies of the different Dominions having navies. A navy was ascribed to Canada on the Atlantic coast, and a navy was ascribed to Canada and Australia on the Pacific Ocean. This plan was adopted by the Mother Country, but it was rejected by the Canadian Government and by the Canadian people, and therefore this body is nothing more than a consultative body. I do not object to it as a consultative body. But I do object to terms being used which, in their very nature, cannot accord with the rules of parliamentary government as it exists to-day in the British Empire, in the Motherland, and in the Dominions overseas. But if I am told that there is to be a body which is to be known by the name of the Imperial Council, I am not disposed to quarrel with the name. I do not object to their being consultations, quite the contrary. My right honourable friend has stated that this body—so named, and misnamed—is to meet once every year. As to this, I have no objection whatever. This body can do nothing except discuss, come to certain conclusions, and report them to the different peoples whom its members represent, by them to be accepted or rejected. Well, sir, for my part, I am very much of the opinion that a great deal of advantage is to be derived by frequent consultations between people and people. Ignorance has been, all through the ages, the cause of many discords, indeed, and very many wars also; and when peoples are living under the same allegiance and are part of the same Empire, undoubtedly nothing but advantage can come from frequent consultation. To that I have no objection.

My honourable friend has alluded to the fact that there were enthusiasts in Great Britain and in Canada also who had hoped that the British Empire would be reconstituted; in fact, it was stated in the Press, when the Conference was summoned, that its chief object would be to reorganize the British Empire. Well,

everybody who has had the slightest experience in public affairs must have known that such a hope was a delusion, that it could not be realized. As it has turned out, all hopes of reorganizing the British Empire have been adjourned to a Conference to be summoned immediately after the War is over. I attach very much importance to the belief, and I agree altogether with the view expressed by my honourable friend a moment ago, that no reorganization of the British Empire can bring about greater or better results than those which have been demonstrated by the present conditions. I cannot imagine that under present circumstances, so long as there is the disparity of population between the United Kingdom and the dependencies, any system can be organized or planned which will work more satisfactorily than the plan which we now have and upon which the Empire has grown up to its present solidity—I use the word “solidity” advisedly. But still, if there is to be a conference, as it is understood there is to be a conference, one thing at all events has been gained and one thing to which I at once tender my complete adherence: it is a fact that any conference, any reorganization, which may be contemplated will be based upon the principle of local autonomy and will not involve an impairment of the powers now vested in the Dominions beyond the seas. I understand that in the new Constitution which is to be discussed when the conference takes place the principle of monarchy is to be adopted. I have read a statement made by Mr. Long, the Secretary of State for the Colonies, in which I find:—

The resolution with regard to the Constitution of the Empire was made the occasion for striking expressions by the various speakers of attachment to the monarchical institutions of the Empire, and their value for the preservation of Imperial unity. In the words of one of the speakers, the monarchy is the keystone of the Imperial arch.

It seems to me that these phrases were altogether unnecessary. There has been a revolution in Russia. Revolutions have been threatened in many other places; but in the British Empire we are satisfied with monarchical institutions. There may be liberty and freedom under a monarchy, and there may be despotism in a republic. For my part I may say this, and I think that in this opinion everybody will agree, as a matter of abstract opinion it matters not what is the form of government, provided the people are free in their institutions and have the right of representation and petition. Under the British institutions we have been accustomed—and this is the reason why I read with some surprise such words as these—we have been accustomed to look upon, and we do look upon, the Crown as a basis of union among the different parts of the British Empire, and as a guarantee of that union I am pretty sure that the British people to-day would not tolerate a monarchy such as existed in England at the end of the eighteenth century or the beginning of the nineteenth century; but so long as the British monarchy is maintained in the traditions which were inaugurated by Queen Victoria every British subject the world over will be quite satisfied to remain under monarchical institutions.

(c) New Zealand.

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No. 3.

EXTRACTS FROM DEBATES IN THE HOUSE OF REPRESENTATIVES. 3RD JULY, 1917.

RIGHT HONOURABLE MR. MASSEY: Referring to the organization of the Empire itself, I may explain that the Conference did not attempt to deal with it in the ordinary way. We had it up for discussion, and, while we were unanimously of opinion that a great deal was necessary in the way of reorganization, we felt that during the War period was the wrong time to undertake it with any possibility of doing it justice. However, a motion was moved, and agreed to unanimously, that a special conference should be convened when the War comes to an end, representative of every country of the Empire, to consider what it was necessary to do in the way of reorganization. I do not think it is necessary to read the motion, which was moved by Sir Robert Borden and agreed to unanimously, but while the motion was under discussion I expressed the opinion that a conference such as it was proposed to hold should be made much more representative than anything

that had been attempted up to the present. What I had in my mind was this: that such things are apt to develop into party matters, and I felt that a great Imperial question such as this should be kept free from party. What I should like to see—and I am not now thinking of New Zealand particularly—is the constitutional Opposition of every country of the Empire represented at the conference when it is convened. The Dominions are all practically under the same system—there is always a Government and an Opposition; and I should like to see the leaders of the Opposition present at that conference along with the representatives of the Government, so as to give them a certain amount of responsibility, and so avoid to a great extent raising the party issue. The conference will be held in due course, and I think it will have good results. As to when it will be held, I am not able to say. I have, however, to deal with another branch of this subject, and it is this: We never know what development may take place in the future. We have had gentlemen here from other parts of the Empire discussing them for our benefit. Although I am unable to agree with them in certain particulars, they deserve all possible credit, if only because they have directed public attention to the subject. Well, as I say, we do not know what development may take place in the future, but I do hope that nothing will be done to affect the autonomy of what are known as the oversea Dominions. I hope that the time will never come when any of our existing rights or privileges will be interfered with or given away. I am speaking quite as much as a citizen of the Empire as I am of this Dominion. I am strongly of this opinion. I say that any interference with the Dominions, or with our rights or privileges, would tend more to disintegration than to the cementing and strengthening of our Empire. I think it was a great countryman of mine—and there have been some great Irish statesmen—speaking about a hundred years ago, deploring the loss of the American colonies, as they were then called, and with a prophetic eye foreseeing the possibilities of the future in respect to the Empire, said, referring to the ties that will keep the Empire together, that they must be “ties which, though light as air, are as strong as links of iron.” Burke was right. Those are the ties which I hope statesmen in the different parts of the Empire will be able to arrange. We are a young Dominion to-day, and the Dominions are all young, but the greatness of their several futures is almost beyond our conception. There are some of the Dominions of the Empire to-day that will support in the future a population at least equal to that of the United Kingdom, and even greater. Preparation must be made for such a growth. I think it was Tennyson, who was a statesman as well as a poet, who said that the British Constitution had broadened down from precedent to precedent. It is elastic. It will go on broadening and expanding to meet the circumstances and conditions of the Empire as they arise. For example, the Imperial Cabinet, to which I have referred, was a long step forward. I am glad to say that, while there was very little thought of the representation of the Dominions prior to the War, their representation is in the mind of every British statesman to-day; and, indeed, in the minds of the great majority of the British people, who are impressed with the position the Dominions have taken up. They appreciate what has been done by the Dominions. They say that they are perfectly willing that the Dominions should have their fair share in the government of the Empire—that they should be able to have a say in foreign policy, in Imperial affairs, and when a great crisis arises their representatives should sit round the council board in association with the statesmen of the United Kingdom. Having been associated in different ways with the greater part of the members of the Government of the United Kingdom, I can say of them that they are agreed that the time has arrived when something should be done to give us the representation we are entitled to. In that connexion I have no hesitation in saying that we have more to fear from the rashness and impetuosity of some of the men who have been giving a great deal of attention to this subject, and who are genuinely anxious to see us having our just rights in connexion with the management of Imperial affairs—more to fear, I repeat, from their rashness and impetuosity than from any desire on the part of the British people to bar the door against us. There is no doubt about that in my mind. We have to go slowly. We have to look ahead and be very careful about every step we take in connexion with this building-up of the Empire, and especially with regard to Imperial representation. Any false step, any serious mistake made now, would perhaps delay the movement for many years—perhaps destroy it for ever. While I am willing to admit that every individual is entitled to the opinions he holds, I am entitled to make my position clear: that I am utterly opposed to any

alteration which would allow our finances to be dealt with by a Parliament sitting outside of this country. Money will be required. Money is required from time to time for Imperial purposes, and there is no doubt in my mind but that each country will find its share when money is required. But in order to avoid such mistakes as have been made—such as that to which Edmund Burke referred—the final say must rest with the country and the Parliament of the country by which the money is being voted. I think I have made that point clear. I have given a certain amount of thought to the matter. I met a number of men in England who have probably given more thought to it than I have, and I have not always agreed with them. It is an important question for us, and it is one which each individual in the country should consider for himself. The time will come, I believe, when there will be an institution representative of the whole of the Empire. I am not able to say exactly at the present time what form it will take, but an important advance has already been made, and I have no doubt an institution will be evolved which will be satisfactory to the great bulk of the people of the Empire.

* * * * *

RIGHT HONOURABLE SIR J. G. WARD: Just let me say here that what was done in regard to the future constitution of the Empire may be gathered from the resolution that was unanimously agreed to by the Imperial War Conference on the motion of Sir Robert Borden. It reads as follows:—

"That the Imperial War Conference are of opinion that the readjustment of the constitutional relations of the component parts of the Empire is too important and intricate a subject to be dealt with during the War, and that it should form the subject of a special Imperial Conference to be summoned as soon as possible after the cessation of hostilities. They deem it their duty, however, to place on record their view that any such readjustment, while thoroughly preserving all existing powers of self-government and complete control of domestic affairs, should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth, and of India as an important portion of the same, should recognize the right of the Dominions and of India to an adequate voice in foreign policy and in foreign relations, and should provide effective arrangements for continuous consultation in all important matters of common Imperial concern, and for such necessary concerted action founded on consultation as the several Governments may determine."

No one in the Old Land can have the least doubt as to our view of any future development in regard to the preservation of our rights as an autonomous country. In alluding to this very important matter I have never lost an opportunity of stating that nothing any one can say in the Old Land would ever induce any responsible men in this country to give them the right directly or indirectly, to in any way control our finance or our taxation or autonomy. As a matter of fact, they cannot affect any change regarding any of them unless we do it ourselves. They cannot, as far as New Zealand is concerned, alter the Constitution in any respect in the future unless we—that is, the Parliament of this country—agree to it; and the people of this country would never assent, even if Parliament were so foolish—and I am quite certain no Parliament would ever be so foolish—as to approve of a proposal to take away the rights of the people over their own governmental powers.

THE HONOURABLE SIR J. G. FINDLAY: The British Parliament can do it to-day—can alter our Constitution.

THE RIGHT HONOURABLE SIR J. G. WARD: Yes, it is true that they could alter our Constitution; but they know there is no possibility, without the concurrence of the Parliament or the people of this country, for them to do so, and if they attempted it they would be doing it at the risk of the people of this country saying "Good-bye."

THE HONOURABLE SIR J. G. FINDLAY: Why should we be in that position?

THE RIGHT HONOURABLE SIR J. G. WARD: I think we should not remain in that position, and an alteration may be necessary technically; but no power on earth—neither the British Government nor any other power—can alter effectively, or even at all, the rights of the people, as represented by their members in Parliament, in the matter of local autonomy, taxation, and finance, unless the Parliament of this country itself did it or assented to it; and in building up any Empire constitution that may come in the future we will never concede these rights to any external power, even though it be a friendly one within the shores of the Old Country.

II.

WORKING OF PARLIAMENTARY INSTITUTIONS WITHIN THE EMPIRE.

Correspondence with the Governor-General of the Commonwealth of Australia.

49265

No. 4.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 26th August, 1919.)

[Answered by No. 5.]

("Secret 'P.'")

MY LORD,

Governor-General, Sydney, 1st July, 1919.

IN these days of constitutional and administrative change it seems to me that an authoritative statement is needed, giving a comparison of the actual working of the various Parliamentary institutions and departmental systems within the Empire.

There are, no doubt, text books like Professor Berriedale Keith's which contain some information, but I can hear of no really comprehensive publication of this kind. Nor could it be prepared in one place nor by any one writer unless he were possessed of long and intimate local knowledge acquired upon the spot in each Dominion. Nothing short of actual experience and close study would enable a man to faithfully depict the Parliamentary customs and procedure and the methods of administration in any Dominion. Moreover, recent developments at Home in constitutional practice, the establishment of a Prime Minister's secretariat, the changes effected in Departments and channels of communications have now to be described and should figure in such a compilation.

The following are the examples of the differences in Parliamentary practices to be noted:—

(1.) At Home Parliament invariably opens with the King's speech. In Australia the House is continually adjourned and King's speeches are almost unknown; in my six years of office I shall, so far as I can foresee, only have opened Parliament twice. In lieu of a King's speech the Prime Minister delivers a policy speech on the first or second day of the session, and I am inclined to think that this practice will endure as being more "democratic" and tend to lay the emphasis of the ceremonial on the Prime Minister instead of His Majesty's Representative.

(2.) The party caucus plays a much more direct and recognized part in Government here than it does at Home. In Australia it has almost secured a footing amongst constitutional institutions, and in the case of the Labour Caucus it is so powerful that though acting in secret it nominates candidates, controls public policy and selects the Cabinet. It follows from this innovation that responsibility is shifting from Ministers and Parliament to a powerful extra-constitutional body.

As regards administration, the Civil Service here is recruited at so early an age as almost to preclude fully educated and University men joining it; consequently there is a dearth of suitable Civil Servants able to fill properly the higher positions. This want has been so much felt during the War that it has led to the creation of business boards or advisory councils of business men attached to the various Departments, a method which, within limits, is no doubt of great public advantage, but is also apt to depress the status and ambitions of the members of the Civil Service.

A comparative statement, therefore, of conditions of entry into the public Departments of the Empire, the organization and methods of those Departments, the nature of the supervision exercised over them by Parliamentary Committees, et cetera, et cetera, would be of great practical assistance, and would enable all His Majesty's Governments to judge of administrative conditions throughout the Empire.

I imagine that if a report could be obtained from each Dominion setting forth, in reply to definite queries, Parliamentary customs and administrative methods, this information could be tabulated by an authority on such subjects at Home,

who could also deal with the British section of the statement. I cannot help thinking that the diffusion of such knowledge would have a good effect and tend to equalize standards, by showing clearly wherein this or that Dominion departs from one common model of constitutional practice, and in how far administrative methods and standards of efficiency vary within the Empire.

I have, etc.,

R. M. FERGUSON.

49265

No. 5.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Secret.)

SIR,

Downing Street, 10th October, 1919.

I HAVE the honour to acknowledge the receipt of your Excellency's Secret despatch 'P' of the 1st of July* in which you suggest the compilation of an authoritative statement giving a comparison of the actual working of the various Parliamentary institutions and departmental systems within the Empire.

2. I have considered your proposal carefully but fear that it would not be possible to carry it out. It would be difficult to collect the information in a satisfactory form, and it would require to be co-ordinated with great skill and knowledge, nor is it certain that the information even if carefully collected and well edited would really be satisfactory. Text books of this nature are apt to give an impression of rigidity, which does not exist, and often is not desirable, in the working of actual institutions.

I have, etc.,

MILNER.

III.

APPOINTMENT OF GOVERNORS-GENERAL.

(a) Memorandum by the Prime Minister of the Commonwealth of Australia.

42086

No. 6.

(Confidential.)

THE stage of development which Dominion self-government and Imperial relations have reached calls for a corresponding development in the procedure for the selection of the Dominion Governor-General—a selection which is always a matter of great moment to the Dominion as well as to the Empire. An injudicious appointment to this office may at any time do grave and incalculable harm.

Speaking for Australia, I wish to emphasize the fact that the time has passed when the Commonwealth can be satisfied with a mere notification from the Colonial Office of the appointment made or proposed to be made.

The overseas Dominions, which are not only fully responsible for their own self-government, but also co-partners in Imperial policy and co-defenders of the very existence of the Empire, are clearly entitled to claim not merely to be consulted in the appointment but to have a real and effective voice in the selection of the King's representative.

It is, of course, recognized that the actual appointment of the King's representative should be made by the King, who is to-day the one real constitutional link for the whole Empire, and who is outside and above party divisions and territorial divisions. The question is only as to the source and the course of the advice on which the King should act in making the appointment.

It is plain that the Dominion Government, in order to have a real and effective voice in the appointment, should have—to borrow a phrase from legislative language—an "initiative" as well as a "veto." That is to say, it should have the right, not merely to express its views on a name submitted to it, but also to submit names itself. The exercise of this right presents no difficulties. The Government of the United Kingdom might invite the Government of the Dominion concerned

* No. 4.

to suggest a name if it should think fit to do so, and might itself, if it wished, suggest a name for consideration. The essential thing is that the Dominion Government should have the same right as the British Government to submit a name.

And it is hardly necessary to add that the field of selection should not exclude citizens of the Dominion itself.

During the last few years we have become familiar with the working of what, for want of a better word, is known as the Imperial Cabinet. Whether in the form it has assumed it will continue in normal times remains to be seen. But the principle is now well established that Dominion Ministers representing and responsible to their respective Governments, and sitting in Council with the King's Ministers in London, may advise His Majesty on affairs of Empire. And it has also been definitely settled that, apart from any such formal meeting, the Prime Minister of a Dominion has at all times the right, on affairs of Empire, to communicate direct with the British Prime Minister. The methods of procedure indicated above for the selection of a Governor-General are fully in accord with the form and spirit of what are termed Imperial institutions as they exist to-day. Here is an appointment which concerns directly both the United Kingdom and the Dominion interested, but which concerns the Dominion more closely and more personally. The choice of the occupant of the highest office in the Dominion should have the official approval of not only the United Kingdom but also of the Dominion Government, and the voice of the Dominion should in the nature of things be given the greater weight. The matter is, therefore, one which ought to be dealt with by direct co-operation and agreement between the British and Dominion Prime Ministers, and by a joint recommendation to the Crown based on that agreement.

W. M. HUGHES.

Australia House,
2nd July, 1919.

(b) Questions in Canadian Senate.

19278

No. 7.

EXTRACT FROM DEBATES OF THE SENATE, 5TH APRIL, 1921.

THE OFFICE OF GOVERNOR-GENERAL.

Inquiry.

HON. MR. BOSTOCK inquired of the Government:—

1. Have any communications or messages of any kind passed between the Canadian Government, or any member of it, with the British Government, or any person on behalf of the British Government, with reference to the appointment of a successor to His Excellency the Governor-General?

2. If so, what is the purport of these communications?

3. Have the names of any persons been submitted to the Canadian Government with a view to ascertaining whether or not these persons would be acceptable to the Canadian authorities?

HON. SIR JAMES LOUGHEED: I am not in a position to bring down any papers or to answer the question. If any communications or messages on this subject passed between the two Governments mentioned, this Government would regard the matter as being confidential and not one as to which the papers should be laid upon the Table of the House. The office is one peculiarly within the authority of the Imperial Government, and, while every courtesy would doubtless be shown to Canada as to any appointment to be made, yet it would not be desirable that this Government should suggest any particular appointee for the office; nor is it, in the judgment of this Government, desirable that under present conditions the Imperial Government should in any sense relinquish or divide its responsibility in any appointment so to be made.

[See also No. 11 (P. 25) and No. 13.]

SPEECHES BY LORD MILNER ON THE CONSTITUTION OF THE EMPIRE.

(a)

22114

No. 8.

EXTRACT FROM *THE TIMES* OF 11TH APRIL, 1919.

A BRITISH LEAGUE OF NATIONS.

LORD MILNER'S IDEAL OF A SUPER-STATE.

FUTURE IMPERIAL POLICY.

LORD MILNER, Secretary for the Colonies, spoke in Manchester yesterday on our relations with the self-governing Dominions and on Imperial development after the War. The first speech was delivered at a luncheon, at which the Lord Mayor presided, of the Manchester branch of the Royal Colonial Institute.

At the luncheon Lord Milner said we were at long last waking up, not only to the great present importance of the Empire, but to its almost boundless potentialities of future growth. The thought of this unrivalled heritage filled him with something like awe. The relations of the self-governing Dominions with the Mother Country had for years past been undergoing a great transformation, which was now almost complete. They were no longer colonies, but nations intensely conscious of their nationhood. They had played in this war as big a part as any but the greatest Powers. They were certainly entitled to look forward to a future in which they would themselves be Great Powers. Yet they all desired—and this was our unparalleled good fortune—to remain within the Empire. If that desire was fulfilled the world would see for the first time a permanent association of a number of Great Powers under a single head. It would be, and in fact it was already, a League of Nations, whether or not it was embraced in a greater league, and it possessed a moral unity which that greater league, if it came into existence, had still to acquire. For the ties which bound together the members of the British League of Nations were no work of artifice; they were a natural growth, the work of time.

The Imperial War Cabinet.

This was the position in fact, but, as often happened in our history, the realities of the case were somewhat obscured by antiquated forms. The Department of the British Government which normally dealt with the Dominions was the Colonial Office, but the Dominions were in no sense under the Colonial Office. The Colonial Office was simply the channel through which the real parties, who were the Governments of the Dominions and the Government of the United Kingdom, transacted their business. Under ordinary circumstances that arrangement worked very well, but it was certainly anomalous that a Department which really governed Nigeria and Hong Kong should concern itself with the Dominions which we did not pretend to govern at all. When the time came, as it must come very soon, for the relations of our Government Departments to be overhauled and their work rearranged on some logical principle, this and many other anachronisms would disappear.

In the meantime one great and far-reaching change had taken place in the unwritten Constitution of the Empire. He referred to the presence of the Dominion Prime Ministers in the Imperial War Cabinet. The War Cabinet would come to an end with the end of the War, but he sincerely hoped that the practice of Dominion Ministers sitting side by side with British Ministers to deal with all matters which were of common concern to the United Kingdom and the Dominions would never come to an end. (Cheers.) The present arrangement, though created to meet an emergency, had been an unqualified success. It was based upon a true principle and corresponded to the actual realities of the case. The complaint of the Dominions that they had no share in the conduct of the policy of the Empire was justified. The Imperial War Cabinet was a device to meet that complaint and it served its purpose. The share which the Dominion Ministers had taken in the direction of our war policy had been a real share, and everyone who wished to see the continuance of the British League of Nations must desire that the Dominions should continue to have a real share in peace in the conduct of matters which affected them as much as ourselves, such as foreign policy, defence, inter-imperial trade, and communications.

No amount of affection and good will between the several States would enable the British Empire to exercise its proper influence in the world—and it was a beneficent and a pacific influence—unless we maintained the means of planning and of acting together as one Power. On the other hand, it was equally true that no machinery whatsoever, no Cabinet, nor Council, nor Conference could avail unless we preserved

the moral unity of the Empire. We must cultivate what he had ventured to call the wider patriotism, the sense of our common citizenship in this super-State, by every means in our power. We must strive to strengthen and to multiply those invisible but all-powerful bonds.

Importance of Preference.

In that respect the progress of science and of invention came greatly to our assistance. How much, for instance, were the airship and the aeroplane likely to do to pull the Empire together? It was from this point of view that, speaking for himself, he attached so much importance to the principle of Imperial Preference. The word Preference awakened the memory of old political controversies which, in the course of time, grew exceedingly tiresome. He wished we could bury those old controversies and look at the question from a wider point of view.

"It has been too much discussed," Lord Milner proceeded, "as if it was merely a question of tariffs. It is common ground that every part of the Empire should decide for itself to have as much or as little tariff as it pleases, but in my opinion it is only right and natural that your tariff should fall more lightly upon Empire goods than upon foreign goods. (Cheers.) That is the view taken by the Dominions, and that is the view taken by every country in the world which has oversea possessions, including more specially the United States. But if there were no such thing as a tariff the principle of preference would still hold good, for the idea at the root of it is that we are a family, a family of nations, and that in all our policy and dealings the interest of a family should come first. A man is not a less good citizen because he devotes himself to the legitimate interests of his own family. I maintain that it is not necessary that because an Englishman believes, as I myself believe, from the bottom of my heart in fair dealing between nations and in the essential solidarity of all human interests, he should therefore go in for a washy internationalism and pretend to care as much about the welfare of Paraguay and Bolivia as he cares about the welfare of Canada, South Africa, Australia, and New Zealand.

"It may be very wicked of me, but I do not care as much. (Cheers.) I want to see the resources of every part of the Empire, in so far as they are not needed for the development of that part, devoted not exclusively, but first and foremost, to build up the strength and prosperity of all the other parts. I feel that about emigration, the investment of capital, and a score of other questions with which I have daily to deal, and for these reasons I take so deep an interest in the work of the Royal Colonial Institute." (Cheers.)

(b)

13245

No. 9.

THE IMPERIAL WAR CABINET.

THE IMPERIAL CONFERENCE AND THE PROPOSED CONSTITUTIONAL CONFERENCE.

EXTRACT FROM HOUSE OF LORDS DEBATES ON 17TH JUNE, 1920.

LORD CHARNWOOD had the following notice on the paper:—

"To call attention to the statement made by the Prime Minister in the House of Commons on the 17th May, 1917,* in regard to 'the whole question of perfecting the mechanism for "continuous consultation" about Imperial and Foreign Affairs between the "autonomous nations of an Imperial Commonwealth"' (together with India), and to the resolution passed by the Imperial War Cabinet on the 30th July, 1918, in regard to the same matter; and to ask His Majesty's Government whether they can assure the House that the object in question will continue to engage their full and earnest consideration, and be pursued by every active step upon their part which may from time to time seem appropriate."

The Secretary of State for the Colonies (Viscount Milner): My Lords, I hope that the degree of interest felt by members of your Lordships' House in the important question on the paper may not be measured by the numbers present at this moment. I would rather hope that the paucity of the attendance is due to the

* See enclosure in No. 1.

fact that the majority of your Lordships agree with the mover in thinking—and I thank him for the expression of the thought—that His Majesty's Government is not indifferent to the importance of the question he raises, and that it can be relied upon to do all that is possible for the time being to promote the objects which he has in view. I think I may fairly say that is the case.

In an early part of his speech the noble Lord seemed to harbour the fear that it might still be possible for the people of the Dominions to feel a certain nervousness lest, in any proposals made in this country to bring about more harmonious co-operation between the different Governments of the Empire, there might be some idea of bringing the Dominions into a new form of subjection. I really think that the time is now long past when any impression of that kind can reasonably be entertained by even the most nervous of Dominion statesmen or Dominion citizens. It is now common ground I take it—I have said it so often that I am almost ashamed to repeat it—that we gladly accept the position, and look upon it as a step in the progress of the Empire and of humanity, that we are all equal under the King and under the Crown, and there is no kind of authority which, in practice, whatever may be the theory of the Constitution, the Parliament and people of the United Kingdom claim any longer to exercise over the Parliaments and peoples of the self-governing Dominions. We frankly accept the position that we are partner-nations of equal status, though obviously the oldest, still by far the wealthiest, of all these States and the one with the most world-wide possessions, relations and interests has, by common consent—it is merely by consent—a certain position of leadership as head of the family. That is the ground on which we frankly take our stand.

That being admitted, some very important consequences follow. I entirely agree with the noble Lord—I suppose we all do—that it is a matter of supreme importance for the Empire and for the world that the self-governing Dominions of the Crown and the United Kingdom should continue to pursue a common policy. I will not say on every matter, but on all great international questions, and that, as Mr. Watt said the other day, in the councils of the world the Empire should speak with a single voice. If that is to be accomplished under present constitutional conditions, it can only be because the self-governing nations are agreed upon a particular policy. There is no power, as I think, in the Constitution as it exists to-day to impose the will of the majority upon one dissentient or recalcitrant member. If they are not agreed common action is not possible.

Fortunately, in the one great test in the experience of recent years—I mean the War—we were all continuously agreed about the policy as a whole and every main chapter of it. But, of course, it would be too sanguine to presume, because that fortunate result occurred in one particular important instance, that we can always count upon equally good fortune. We cannot always count upon it. We must frankly accept the position, and freely recognize that circumstances may arise in the future in which, even in a great international crisis, the action of the Empire may be paralysed or greatly weakened owing to the fact that there may not be agreement between all its self-governing parts, and that consequently, either nothing will be done or very much less effective action will be taken than would have been possible if all the partner nations of the Empire had been agreed. That would be a disaster. But it is a disaster which, in my opinion, is only likely to occur, if we lose during peace that close touch with one another which we, fortunately, managed to establish during the War.

I do not believe that on any great world question different views will be taken by the different parts of the British Empire, so long as they remain in intimate touch with one another and are able to consult steadily before any crisis arises. What I dread is the possibility of a clash because action had been taken by one member of the family—it most probably would be the United Kingdom—or because some course had been pursued in foreign policy by our Foreign Office over, perhaps, a number of years—quite possibly a right course, but one of which the Dominions were not aware—which course brought us face to face with a difficulty, a critical position, in which we should not find ourselves supported by other members of the family, simply because they did not know enough of the previous circumstances. Therefore, what seems of vital importance in this matter is to keep up continuous knowledge, on the part of all the self-governing members of the Empire, of the course which any one of them is pursuing (and in the main that means which the United Kingdom is pursuing) in matters of foreign policy.

What provision actually exists at present for common consultation, for exchange of views, and for framing, by deliberations with one another, a common policy of the Empire? I think what exists and what is being done in that direction is the main point of the question of my noble friend. At the risk of being rather tedious I should like to explain what the present system actually is, because there is a good deal of misunderstanding about it. On the one hand, we have had now for some time past meeting at intervals of several years an institution which was known in the first instance as the Colonial Conference but now as the Imperial Conference—a meeting of representatives from all parts of the Empire and from India, presided over generally by the Secretary of State for the Colonies but sometimes by the Prime Minister, at which broad questions of what you might call permanent Imperial interest are discussed and resolutions arrived at, which are merely in the nature of recommendations to the several Governments.

This Imperial Conference is frankly a Conference which has no authority to impose its decisions upon any one, but at the same time it is a gathering of very great influence. The leading statesmen of the Empire have generally been present at it, the deliberations have been very serious and important, and the resolutions of a body of that kind could not but have a considerable effect upon the conduct of affairs in the different countries there represented. As a matter of fact, a good deal of very useful work in pulling the Empire together has been the result of the meetings of this body.

We must look upon this Conference—the Imperial Conference proper—as a regular and permanent organ of our Empire Constitution. It has a Secretariat, a branch of the Colonial Office, which exists in order to pursue, in the intervals between the meetings of the Conference, the various questions which have been discussed at the Conference, to collect the material for future Conferences, and, so far as possible by addressing the various Governments, to see that the resolutions of past Conferences are carried out. The Conference is thus a permanent, an important, and very valuable instrument, and one which I believe will have growing effect. But an institution of that kind, meeting at long intervals, even if it is to some extent kept alive by the existence of the Secretariat I have described, is very far from being able to ensure the influence of the Empire being continuously brought to bear upon the direction of the affairs of the world in the way in which the influence of any unified Government can be exercised.

I mean to say that the Government of France, for instance, the Government of the United States, the Government of the United Kingdom, through their Foreign Offices and their representatives abroad, can exercise from day to day a continuous influence upon the course of world affairs. They are units continuously active. But the Empire—using that word to include all the self-governing Dominions as well as the United Kingdom—has no means of exercising such a continuous influence except in so far as the United Kingdom Government may exercise it. No Ambassador anywhere represents the Empire as a whole. Therefore, the question arises whether it is not up to us to devise some means of making the influence of the Empire as a whole—as distinct from the United Kingdom; something greater than the United Kingdom—continuously effective in the councils of the world.

Temporarily this has been achieved. A body was in existence which was known during the War as the Imperial War Cabinet, and during the Peace negotiations at Paris as the British Empire Delegation, which did exactly this thing. This body did bring the whole force of the Empire to bear from day to day upon the course of world events. It was a body entirely distinct from the Imperial Conference, totally different in its nature—a powerful executive engine of government. But of course it was only temporary in its constitution. It was a development of our own War Cabinet, itself a temporary institution, a body of five persons. The War Cabinet invited the Prime Ministers of the self-governing Dominions and the Secretary of State for India, as representing India, to take part in its councils, practically to become members of it. The body so constituted directed the War and was continuously active. It represented the whole force of the Empire; because not only was what is commonly described as the Imperial Government constantly represented on it by its principal members, but there were the heads of all the self-governing States of the Empire there; and it was as complete an Executive of the Empire as a whole as it is possible to conceive.

But, as I have said, it was by its nature a temporary institution. It was created for war purposes; and for various reasons it was bound—I will not say

to come to an end, but at any rate to fall into abeyance at the end of the War. For one thing, the Prime Ministers of the self-governing Dominions could not continually be here; they had to go back to their own countries. Then, again, the British Cabinet changed its character and ceased to consist only of five people. It now consists of twenty or thereabouts, and the conditions which permitted of the introduction of the Prime Ministers of the Dominions into the heart and centre of the British Executive no longer exist to the same extent. And so the question arises, how we can reconstitute something like a genuine Imperial Executive in any future emergency. For though it is, of course, nothing like so important in times of peace as it was during the crisis of the War to make sure of being able to concentrate the whole power of the Empire and of having an Empire engine to direct it, yet it is still very important, even in times of peace, that it should be possible, perhaps not continuously but at any rate occasionally, to have an instrument of government not only able to discuss and talk about Imperial affairs but able to take action as representing the whole Empire.

This, I think, is generally recognized, and I cannot conceal from your Lordships that my own experience during the short time I have been at the Colonial Office has absolutely convinced me that something more is necessary than we have got in the Constitution of the Empire, something which does not exist at present, if the splendid harmony which prevailed between all parts of it in the War is not to be frittered away in peace, and if we are not to separate from one another and go different roads even without knowing it.

I am convinced that we shall be able to hold together on all matters of world importance only if we keep touch more closely than it is possible to do merely by means of Imperial Conferences held every four or five years. I am sure that something which brings the people in the different self-governing States of the Empire, who are actually responsible at the moment for the conduct of their affairs, into constant and close touch with one another is essential if the Empire is to play the great role it ought to play in the world.

Something of this kind must be done, and something of this kind is in the minds of statesmen not only here but in all the self-governing countries under the Crown. They are alive to the necessity of some more perfect organization to keep the Empire on the same lines of policy and, if necessary, to ensure its whole strength being thrown into the right scale at a critical moment. I quite agree with the noble Lord that the success of the League of Nations depends, above all, on the British nations (a League already by nature) being able to speak with one voice. I believe, if they do, that they will hardly ever differ on matters of supreme importance with the United States, and the two great Anglo-Saxon Powers could make the League a success and secure the peace of the world.

I have been perhaps diverted from my main point. The point I want to make is this. There is a general recognition in the self-governing Dominions of the Empire, as in this country, of the necessity for more complete and constant touch in order to ensure common influence and common action. That the necessity is felt in the Dominions is proved by the fact that the Imperial Government has been pressed strongly by all of them to hold a meeting as soon as possible, in order that the constitutional question may be discussed in all its details with a view to seeing how harmonious co-operation can be secured in the future. It was at one time hoped that this meeting would take place this year. As a matter of fact we are all now agreed that it must be put off until next year. The Governments of every part of the Empire have their hands so full at this moment with domestic questions, the aftermath of the War, that their leading men cannot be spared to meet at one spot during the present year, and, unless the leading men are there, it is of no use.

This meeting, if it is to be a success and put the future constitutional relations of the Empire on a good footing, must be practically a meeting of Prime Ministers. I do not mean to say that it should consist exclusively of Prime Ministers, but they would necessarily be the leading members of it, and their presence would be essential to its success. And this meeting, which has been described as a Constitutional Conference because it will be a conference to decide on the future constitutional relations of the different parts of the Empire, must not be confused with the periodical Imperial Conference which, as I have said, is already a regular and permanent institution. It may take the place of the Imperial Conference for a particular year, but it is, in its nature, distinct from

it. It will rather have the character of a Constituent Assembly trying to arrive at the basis upon which our relations with the Dominions are in future to be conducted.

This Constitutional Conference is contemplated for next year. It will be a meeting of extraordinary importance, but, pending its assembly, I do not know that it would be desirable or wise to put forward any particular schemes—certainly I do not feel disposed myself to put forward any particular scheme—for bringing about that harmonious action of the different parts of the Empire which, as I have pointed out, it is the object of the Conference itself to devise means to ensure. All I can say about it—and it is the only answer I can give to-day to the question of the noble Lord—is that, unless I have been wholly unsuccessful in explaining myself to your Lordships, the House will appreciate both the bigness and the difficulty of the problem and the fact that every aspect of it is, as I believe, constantly present to the minds of statesmen in the self-governing Dominions as well as to those of statesmen in this country.

I have tried to point out what already exists in the way of Imperial organization; what temporarily existed for a short time in the past and has now disappeared; and what is required to take its place, and the object at which we have to aim. But I think it would not be possible, neither would it be prudent, for me (I might defeat my own object) to lay down that this or that sort of body is to be created, or this or that kind of arrangement is to be made, in order to ensure the object which we all have at heart. I look forward with intense interest and with great hope to the meeting of the Constitutional Conference next year, and I trust it will not separate without having provided the British Empire with some organ of Government, based upon the recognition of the complete independence and equality of its different parts, which will nevertheless enable them to act promptly and effectively when they are all agreed, and to exercise in peace, at least to some extent, the beneficent, harmonious co-operation which was so brilliantly illustrated in the War.

V.

STATEMENTS BY GENERAL BOTHA AND GENERAL SMUTS AS TO THE POSITION OF THE UNION OF SOUTH AFRICA.

52442

No. 10.

EXTRACTS FROM PRESS CUTTINGS ENCLOSED IN THE GOVERNOR-GENERAL'S DESPATCH No. 675, OF 20TH AUGUST, 1919, RECEIVED 10TH SEPTEMBER, 1919.

"CAPE TIMES" (25th July, 1919).

(Extract.)

GENERAL BOTHA: We have been successful in obtaining for South Africa a higher independent position, and this is the first time in the history of this country that she has been recognized by the nations of the world as an independent nation. (Applause.) We have been placed upon the same footing, and are being treated in the same way as Belgium, Greece, and other smaller nations. That is to us a matter of the utmost importance.

A Signal Distinction.

We have now taken a worthy place amongst the nations, a richly deserved place, in consequence of what we have done in this War. (Cheers.) We may place this recognition of our status next to the establishment of the Union, as one of the milestones in our history, and as a natural result of that policy of union which was begun in 1910. But, more important still, not only have the nations recognized our status, but they have such confidence in us that they have entrusted to us the administration of the late territory of German South West Africa. (Cheers.) We therefore begin under theegis of the League of Nations with a large measure of confidence from the League, and I trust that the people of South Africa will

show their appreciation of this confidence and build upon it. (Cheers.) We are no longer a child; we are now regarded as a man who can take the part of a man amongst the other nations. (Cheers.) Naturally, this measure of confidence carries with it a large measure of responsibility, but I have every confidence in South Africa. I am sure she will never forget her duty. (Hear, hear.)

"RAND DAILY MAIL" (5th August, 1919).

(Extract.)

GENERAL SMUTS: When he went to England some two-and-a-half years ago there was a suspicion among the people in South Africa that he was going in some mysterious way to prejudice South Africa. He was an Imperialist, perhaps a Jingo. While he was in England he had occasion to speak on many a platform, and the gospel he had preached uniformly on all these occasions was that the British Empire could only continue as a league of free, equal, independent States. That was the only basis on which it could endure. The old principles of federation were unworkable, and would lead to the break up of the Empire. The Empire had a great future as a league of free nations, bound by closer ties of common defence, etc. He thought his labours in this direction were not in vain. He certainly knew that the ideas of federation and a federal Constitution had disappeared like the morning mists, and to-day the accepted idea was this idea of a League of Nations which he had preached during the last two-and-a-half years. (Applause.) One of his speeches had been printed and had achieved a circulation of a million and a quarter copies. As the fruit of that policy South Africa was to-day the equal of other nations in the world in the greatest conference in the history of the world. (Applause.) British statesmen had accepted this new view of the Empire, and thus it was that the most important document in the War had been signed by their representatives as equals, not only of the other parts of the Empire, but of the great Powers of the world. (Applause.)

"CAPE TIMES" (6th August, 1919).

(Extract.)

The Might of the Right.

GENERAL SMUTS: Before the War, and in days gone by, I and my friends felt the might of the British Empire; and we had a very considerable respect for that organization. (Laughter.) But you had to be at the Peace Conference at Paris, where all the great and all the small Powers of the world were gathered, to see what part the British Empire played in the counsels of the world, and you had to see the preponderance, not only of its enormous physical and political power, but its moral preponderance! (Applause.)

I came away from Paris, and, amongst others, one of my chief impressions was that, to-day, whatever the past may have been, and whatever the future may have in store for us, we have in the British Empire the most potent instrument, either for good or for evil, that has existed in the world. We have learnt the political lessons which could guide the Conference at Paris. When we were thrashing out the constitution of the League of Nations day after day and night after night in committee, it was the history of the British Empire and the precedent set by the British Constitution which gave us the clearest clue and the best guidance as to the course which we should pursue. (Cheers.)

And it was felt all round, and generally admitted, that in the political experience of the British Empire there was collected a fund of wisdom and of sound, practical commonsense which might serve the world well through the very difficult times that are ahead of us; and so, whether you look at it from a territorial, or a material, or a political, point of view, the group in the world to which we belong stands out as one of the greatest groups in history, probably the greatest that has been seen, or that the world will ever see. (Applause.) Now that must have a very far-reaching effect on the situation with regard to our own position.

Union's Increased Power.

General Botha has just told us that the position of South Africa to-day, and in the immediate past in the War, has been better than that of small neutral

countries. The position of South Africa to-day is even more powerful, as a group, in this enormously preponderant group, than any of the small neutral nations in the world.

"RAND DAILY MAIL" (9th August, 1919).

(Extract.)

GENERAL SMUTS: Of three great results which had been achieved by the Conference the first was the new status which had been laid down for the British Dominions. He had watched things very carefully, as a member of the British Cabinet, for the last few years, and it was to him very plain that on the old pre-War basis the British Empire was not going to last.

There were, the speaker added, Dominions that were making efforts far beyond any other nation except the greatest Powers. The British Dominions had been making a war effort far greater than that which England made in the Boer War, and the English effort in the Boer War was considered the greatest in history since the wars of Napoleon. After those Dominions had undertaken those great duties, they were not going to revert complacently to a position of subordination in the British Empire. It was imperatively necessary, if the British Empire was to continue in the future, that the Dominion status should be entirely revised. He preached that doctrine in season and out of season, in public, and even more so in private.

He preached the doctrine to make people realize that if they set any store by the British Empire there should be a complete revision of the relations between the Mother Country and the Dominions. That object had been entirely achieved in Paris. (Applause.) It had been achieved not only by an arrangement between Great Britain and the Dominions, because that would not be sufficient in his opinion. It had not been achieved merely by a transaction between Great Britain and the Dominions. It had been achieved by a great international instrument to which all the great Powers of the world were parties. All nations, great and small, were parties to a document in which recognition was given to the new status of the Dominions. (Applause.) That had not been done *sub rosa*. It had been done with open eyes. The British people knew what it meant, the British Government knew what it meant, and the Powers that signed the document knew what they were doing.

Empire a League of Nations.

It was now more than ever true to say, as General Botha had said, that the British Empire was a league of nations in itself. (Applause.) A number of independent States was held together by common ties, common interests, and common defence, and in matters of foreign policy there would be common policy that would necessitate here and there a readjustment of forms in order to give expression fully to facts which existed, and that would be done at the next Imperial Conference. Proceeding, General Smuts said they heard talk about a republic. (Laughter.) "They do not know what they are talking about. (Renewed laughter.) We have got entirely beyond that stage. (Hear, hear.) We have taken another route which has reached a point behind the position they wanted to attain, and has completely outflanked every other position." (Applause.)

In time to come, said the speaker, that result would be looked upon as one of the most important departures in the history of the world. If that had happened a hundred years ago the United States of America would still be within the Empire. (Applause.)

A Hundred Years from now.

In a hundred years' time there might be dominions in the Empire as big as the United States. (Applause.)

No. 11.

EXTRACTS FROM SPEECHES BY GENERAL SMUTS, PRIME MINISTER,
DURING A TOUR OF THE NORTH-WEST DISTRICTS OF THE CAPE
PROVINCE, SEPTEMBER, 1919.

(Enclosure in Governor-General's despatch No. 822, dated 18th October,
received 13th November, 1919.)

I. (a).

AT VICTORIA WEST.

"CAPE TIMES" (23RD SEPTEMBER, 1919.)

I HAVE given a great deal of thought to this question of South Africa taking its right place in the Empire, and when I went to England I found that there was a totally wrong movement afoot—a movement to establish an Imperial Federation. An organization was aimed at by which there would be one great Parliament for the whole British Empire. South Africa would send its members there as well, and that Parliament would represent all the Parliaments of the British Empire. I felt convinced that this was an impossible system, and you have seen that in England I most strongly protested against that system. You have seen that I made it perfectly clear to the English public that the system was absolutely impossible, and that the only basis on which the British Empire would exist in future was one of absolute liberty to all its different parts. (Hear, hear.)

(b)

"CAPE TIMES" (24TH SEPTEMBER, 1919.)

Before the South African War we were very keen on getting the recognition of our international status. The first Peace Conference was held at The Hague. It was in the beginning of 1898 or 1899, and we, as the independent Republics of the Transvaal and the Free State, wanted to be represented there. We wanted recognition of our status. You know what happened. The nations would not invite us. We could not appear there, and the Conference concluded without the Free State or the Transvaal being represented. Although we called ourselves independent Republics, the nations of the world would not recognize us. Therefore it was of great importance to us to know what the attitude of the nations of the world would be at the Paris Conference, and to know whether they would recognize the British Dominions as equal and independent States. You know what happened—the Dominions were recognized. General Botha and myself, on behalf of South Africa, and other statesmen on behalf of other Dominions, were at the Conference on absolutely the same footing as the representatives of other independent States of the world. (Hear, hear.) We were recognized as equals. We spoke there voted there, and signed there, exactly as the others did—(cheers)—and I say I am thinking back of the two Conferences—the one where we lost everything, the other where we were uplifted. We can feel that, not only have we got back what we lost at Vereeniging, but we have achieved a status which is recognized internationally by all the nations of the world.

You know that in the past British statesmen have always signed international documents on our behalf. If a treaty was entered into which was binding on the British Empire, then it was signed by the British Government. But in the Peace Treaty it has now been recognized, for the first time, that we shall not be bound here in the future by the signature of British statesmen but only by the signature of our own statesmen and our own representatives. Therefore the names of General Botha and myself are on the Peace Treaty on behalf of South Africa, alongside the names of those who had signed for other countries.

In future, if anything has to be done in the world to bind South Africa, the British statesmen cannot bind us, their signatures cannot bind us, and we shall be bound only by the signatures of our own representatives and our own Government. But we were not satisfied with that by itself. We felt that, although a great step

forward had been taken, we wished to safeguard the position for the future, and, therefore, we saw to it that in the great League of Nations which was to be established to maintain the peace of the world in the future our position would be absolutely safeguarded, and that our status would stand on an absolute and definite basis, and that we would be recognized as the equal of any nation in the world. (Hear, hear.) You know that the document dealing with the League of Nations has been so drafted that all the Dominions of the Empire, including the Union, shall stand on the same basis and the same footing as all other nations, and on the same basis as England itself. You will in future have your own representatives on the League, independent of the representatives of England. Your representatives will sit on the League like the representatives of any other nation.

Your representatives of South Africa will have the same vote and the same voting power as England. Therefore, I say here, standing among my own people, and before the public of South Africa, that, after the humiliation of Vereeniging, we were in Paris lifted up and recognized, and granted for the future the status of a free and independent people in the British Empire.

II. (a)

AT LONDON.

"RAND DAILY MAIL" (25TH SEPTEMBER, 1919.)

In dealing with the constitutional position General Smuts pointed out that the last law which the British Parliament had passed for South Africa was the Constitution, which, at the request of the Union, in order to make it all the more valid, had been passed by the British House of Parliament. That was ten years ago. As a matter of fact, the British Parliament could not make or pass laws for South Africa. But, although the Union Parliament for the last ten years had had the exclusive legislative right, where foreign relations were concerned, British Ministers had still acted for South Africa. This position had now also been changed as a result of the Peace Conference, so that South Africa would be directly represented by its own representative. (Hear, hear.)

(b)

"RAND DAILY MAIL" (25TH SEPTEMBER, 1919.)

A Conference was to be held later in regard to the position of the Dominions. There were various matters to be settled respecting the new status of the Dominions. For instance, the position of the Governor-General would have to be altered, so as to be brought in accord with what had been laid down in the League of Nations.

III.

AT CARNARVON.

"RAND DAILY MAIL" (26TH SEPTEMBER, 1919.)

We can be a free people even within the British Empire. My view is that the British Empire is an alliance of free States, of which we have one King, and that is the bond which keeps us together. The British Government is not the bond: the King is the bond. (Hear, hear.) He is the King of England, King of India, and King of South Africa, and the other parts. Under the alliance we keep together and protect each other, and help each other financially, with advice and otherwise, each according to its own light. (Hear, hear.) That is my conception of the British Empire, and that is the right conception. That is the conception which has triumphed in the counsels in Paris. We are in a great alliance, just as there are other alliances in the world. (Cheers.) You need not have a republic to be free; you are free in the British Empire. (Cheers.)

EXTRACT FROM A SPEECH OF THE PRIME MINISTER OF THE UNION
OF SOUTH AFRICA (GENERAL SMUTS) IN THE HOUSE OF
ASSEMBLY, 23RD JUNE, 1920.

(*"Cape Times," 24th June, 1920.*)

GENERAL SMUTS, replying on the debate, said he had listened to it with the deepest interest, and he might say with a certain amount of pleasure. Its character, although he would not say its tone, showed what enormous progress had been made in this country, and he thought it was an indirect proof of what he had been contending during the last two months, that there had been a great forward step in the status of South Africa. It had, as a matter of fact, been a debate on the foreign relations of this country, and he repeated that it had been a proof of the position which we had achieved, and the responsibilities which we all felt were lying upon us in connexion with the affairs of the world. He was not going to reply at length to all the points which had been raised, but it was his duty to draw attention to some of those to which a reply should be made by the Government.

LEAGUE OF NATIONS.

Dealing with the League of Nations, General Smuts said that Mr. Beyers had spoken with satisfaction and glee that that League was a total failure, and it seemed to the honourable member to be a joy and a pleasure. If many of them and millions of people at present were disappointed with the position of the League of Nations, it was not a matter of joy, although Mr. Beyers seemed to gloat over his announcement. He (General Smuts) was free to admit that so far, in its early days, the League of Nations had not responded to the great hopes that were entertained for it, and he said so with the greatest sorrow, because he felt that something ought to be put before the world, for there was no doubt that it was sinking under the burdens thrown upon it, and that the foundations had been undermined.

Earnest minds of all races had looked forward to some new hope, vision, and ideal which might raise the world again and on to a better foundation, and the League of Nations was the ideal that had been looked forward to by all the most earnest minds as a means that might lift the world again from the abyss into which it had sunk, and was at present sinking. Well, the League had not done so yet, but let them not on that ground rejoice over its failure. Let them, rather, in the words of Mr. Merriman, pray that it might be made a reality and a real power—(cheers)—and let them not try to cut themselves adrift from it and "out of the mess." Let them rather bend their energies, and lend their strength to make that institution a reality in the affairs of the world. (Cheers.)

There were several circumstances which had militated against the success of the League. The greatest of all, perhaps, was what he might call the defection of America, and there was no doubt that the League had been largely dependent on the strength and support of America for its initial success. America to-day was the greatest and most powerful nation on earth, and it could have brought to the League influences and resources which were absolutely needed to-day if the world was to be picked up out of the slough of despond; but it had not chosen to play the part of moral leader of the world. He hoped the time was coming when America would understand and appreciate what the position was. They ought not to condemn and express judgment.

The time would come when America would realize her great responsibility, and not allow the gravest of all issues to be a matter of party politics. America was suffering from the same disease as they in South Africa were—an excess of party spirit—which seemed to enter into all the relations of life and to poison it. It made it impossible for people to look at matters in the true spirit, and one that did not deflect their judgment into the wrong direction. But whatever the reason was, it did not become them to pass judgment on America. It might be that after the presidential election America would take up her true position and help to pull the League through these initial difficulties.

WHAT UNITED STATES OF AMERICA IS INFLUENCED BY.

America was influenced partly by the Monroe doctrine, which they thought was endangered, and also by the six votes given to the British Dominions. We had fought that out in Paris with President Wilson and the other Powers, and had made it clear that the Dominions must not enter the League unless they did so

on the basis of freedom and equality with the other nations of the world. (Cheers.) They were not going to be members of the League on any basis of subordination to any other people, but that had not been appreciated in America, which still looked upon them as subordinate members of the British Empire. But as America appreciated the position she would find that there ought to be no division whatever on these votes which had been given to the free nations which composed the British Empire. (Hear, hear.)

The second difficulty about the League had been the matter referred to by Mr. Merriman—the activities of the Supreme Council alongside of the League—that Council having continued its activities in connexion with the Peace Treaty, and in its operations had been conducting practically all the foreign affairs of the world. The result was that the League had "apparently" been superseded (he did not say "actually"), and had been left with work of smaller concern or no work at all, while the real work had been done by the Supreme Council; that was, by the Great Powers. The result was that the impression had spread to which Mr. Merriman gave expression, and which he hoped was wrong, that the Supreme Council was usurping the functions of the League, and that the latter was being pushed into the background; that the League had been intended as a sop to ideals and democracy, and that, having served its purpose, it could be put aside. That was not his impression. Very powerful voices had been heard throughout the world raised against what is going on, and General Smuts said he hoped the time was not far off when the Supreme Council would recognize that it was best after all for the reconstruction and recovery of the world that the Supreme Council should not conduct its activities separately from the Council of the League of Nations, but that the two bodies should combine. If the Supreme Council did not help the League, then it would be seen what grave dangers there were before the world. Of the five great Powers, two were already disinteresting themselves to some extent. Both America and Japan were standing apart, and they were left with Great Britain, France, and Italy. Italy was struggling with an overpowering load of internal difficulties, and it was almost impossible to look to her for any great strength in the great affairs that had to be dealt with. So there were left Great Britain and France to be responsible for this state of affairs which had arisen in the world, and which had to be remedied. It was hopeless to expect that two Powers could right the situation which to-day existed in the world, and which was daily becoming worse. If the situation continued he was afraid they were running very grave risks, for other contingencies would arise. The danger was that other Powers would combine and range themselves against those two and the world would be again drawn into dissensions. On all those grounds he thought it was eminently desirable that the activities of the Supreme Council should be merged as soon as possible with the Council of the League of Nations, and in that way the League would get the support and do the work it was meant to do, and would gain a really substantial footing in the affairs of the world. That was the second great blow that had been received by the League of Nations. The third had been the Polish war, which had undoubtedly done more to make people realize the apparent impotency of the League than anything else. Whatever might be the formal aspects of the matter, in substance a great new war was starting in Europe, by a nation which was the creation of the League.

BALL SET ROLLING BY POLAND.

A ball had been set rolling by Poland, and no one could see how far it would roll. Everyone knew the history of Poland. How it had been crushed in former centuries between the upper and the nether millstones. Poland was entirely dependent for her future success on a condition of peace, yet she had embarked on this policy of foreign aggrandisement. She claimed a portion of Russia which contained twenty-six million people, mostly Russian, and wanted the Ukraine, and thus tries to get still more of Russia. It was an impossible situation. He had already given in public the strongest expression of his personal views.

MR. CRESWELL: Only your personal views?

GENERAL SMUTS: "I can only express my personal views. No man at this distance from the scene of operations can undertake to give an official opinion on such matters." It was clear, said General Smuts, that the great European statesmen dealing with this matter were perplexed and puzzled how to act, and it would be folly on his part to rush in where those great men feared to tread. He agreed that South Africa as a member of the League was entitled to express its opinions and to point out the dangers which existed. Members were quite right in express-

ing their opinions, and he was afraid that if instances like the invasion by Poland were allowed to pass unchallenged, the League would become hopeless and futile. It was only by focussing public opinion on these events that they would be able to right the situation. Poland was entirely dependent on public opinion for her future, and all over the world he believed public opinion was forming against the action of Poland, and it was as strong in Great Britain as in any other part of the world. Opinion was being formed which would have the result that the action of Poland might give the League its opportunity of making people realize that unless the League was forced to and did take action the future of Europe would be very dark indeed. He was afraid it was very little realized how bad the state of the world really was, and how weak the foundations for any institution intended to maintain peace and order in the world.

Mobilize Public Opinion.

The situation was such as to entirely baffle description. It was going from bad to worse, and unless something almost providential happened in the future it was difficult to see how starvation among a very large portion of Europe could be prevented. Moral and intellectual conditions were far worse than the physical conditions, and so far there were no foundations for the League to work on, and unless they could mobilize the tremendous force of public opinion all over the world, he did not see what would happen in the old world, and that was why he felt their debate might have its little influence in assisting in the formation of that public opinion which would eventually force the Great Powers to support the League, and in that way to bring about a better state of affairs. A few questions had been put to him. In the first place Mr. Creswell asked whether South Africa had representatives on the League, and in what way they communicated with the League. The League had been formed and was actually in existence. All the Powers who fought on the Allied side, with the exception of America, had joined it, and also all the neutrals. President Wilson had called the first meeting of the Council of the League, and that had been sitting in London dealing with certain important affairs of the world. The general assembly of the League had not yet been called, and had not met, and in those circumstances the Government did not feel itself called on to select representatives. On the Council of the League of Nations they had no representatives save the official British representative, but they were represented on the general League of Nations, so it had not been possible for them to take any action in regard to the activities of the League. All that had been done was to press upon the British Government the views held strongly in this country, and some time to bring those views directly to the attention of Mr. Balfour, who was the British delegate on the Council, and was President of the Council of the League of Nations, so that in a semi-official way that action had been taken. Mr. Merriman had referred to the question of the amount of the contribution to the expenses of the League. That amount was dependent on a clause which stated that members should contribute to the expenses of the secretariat on the same basis as they contributed to the International Bureau of the Postal Union. Twenty-five nations with great correspondence belonged to the first class of that Union, and South Africa happened to be among the nations of the first class in the Postal Union, and therefore paid on the same basis towards the expenses of the administration of the League as the Great Powers did. He noticed that some objection—not by South Africa—had been taken, and it was one of the matters which would be discussed at the forthcoming meeting at Brussels—the reallocation of the expenses among the members of the League. The influence of South Africa, which had been very great in the formation of the League, should give the League every chance, and he did not grudge the League one penny of the money if they knew the League was going to be a success and contribute towards the creation of a better world.

A NEW WORLD ORDER.

The British Government had an Ambassador in America who was paid a salary of £20,000, besides the expenses of running his office. Where we were asked to make a contribution of £20,000 to a body which was the recognition of our standing in the world, which was the formal means of recording our standing in the world, and which might possibly be the means of constituting a new world order in the generations to come, he thought it would be premature for us to raise any objection merely on the small ground of expense to the payment we were

asked to make. (Hear, hear.) If the League were going to be an impotent and useless institution then he certainly would be one of the first to object to continuing this payment or making any payment at all. But he was hopeful that the League would get its chance. The circumstances of the world to-day were such that the League would and must take its chance, and when it did take its chance it might succeed in laying the foundation of the new world order.

If the League failed and we had to continue to settle the affairs of the world on the old basis of force and domination and wars, then he believed the outlook before the civilized races of the world was very black indeed. (Hear, hear.) He thought this ideal was powerful enough, and that it had internal strength enough to carry it through in the history of the world. It had made a very small, humble, and insignificant beginning, but he believed that it did embody a great ideal, that it embodied a great hope for mankind, and that that hope was strong enough and the circumstances of the world to-day were black enough to lead to its realization, to its growing force and to its becoming a real factor in the affairs of the world. (Hear, hear.) He could only reiterate what Mr. Merriman had said, and that was that they should not belittle the League, that they should not rejoice over its impotence and inactivity, but rather let them, as far as in them lay, not only for the sake of South Africa and the standing that the League had given us in the world, but for the sake of humanity, for the sake of those tremendous interests which were to-day in the greatest jeopardy in the world, contribute all their strength and influence in order to strengthen the position of the League.

THE EMPIRE PROBLEM.

The next point of importance which had been raised was in relation to the position of the British Empire. That was raised by Mr. Beyers, and more clearly, and he must say very fairly, by Mr. Langenhoven. Mr. Langenhoven had discussed the matter in a very clear and reasonable spirit, a spirit very different from Mr. Beyers's, who seemed to be actuated by a spirit of complete aversion to the affairs of the world, to the affairs of the British Empire, and to everything else except this Union of ours. "South Africa first and foremost" should always be our ideal here, but let it not be a selfish ideal. Let us remember that we were part of mankind, and that these calamities which overwhelmed the world in our day and generation were due to the exclusiveness, the selfishness, which nations had developed in the course of their history in modern times.

Unless we could get away from that spirit of exclusion and of selfishness we were likely to see a recurrence at some date or other of those calamities which had already come over the world. Let us feel that we were members of one another, that the human race was one and that the affairs of the world and the affairs of the Empire did concern us in the closest manner. We felt that we had concerns with the world. Our ordinary mercantile affairs brought us into touch to-day with many other countries. The subject which had been discussed here in recent months more than any other was the question of exchange. The exchange question was simply an expression of our commercial, economic and mercantile relations with other parts of the world. It had been brought home to us in the most tangible and understandable way that we were linked up economically with the rest of the world. That was a recognition of the basic fact that the nations of the world were one.

THE NEW SITUATION.

In the British Empire we had quite a peculiar situation of that character arising. The British Empire to-day consisted of a number of free nations who were under one common Sovereign and who had to conduct their affairs on a common basis, and the question was how could that be done? Mr. Langenhoven had read portions from Lord Milner's speech in which he gave his ideas as to how these affairs of the British Empire as an institution should be conducted in future. Lord Milner pointed out the difficulties which arose from the situation. The old system had departed. Under the old system of Empire, which no longer existed, there was one dominant member who could conduct affairs for the rest and could speak for the rest. When you had one mighty British Government with an undisputed supremacy in law and fact, that central Government could speak for all portions of the Empire. That situation disappeared. There was no longer one strong central Government in the Empire which wielded authority over the others

and could speak for the others. An entirely new order of things had arisen, which he had tried to explain to this country in his recent speeches, which was becoming generally accepted and which was also given expression to in this speech by Lord Milner.

The problem that now arose was how were they going to conduct the affairs of this Empire upon a common basis where they had no longer one great Power speaking for the whole, but six independent, equal, free members of this great League? Lord Milner in this speech of his discussed in the first place the Imperial Conference, and pointed out the Imperial Conference did not really answer the needs of the case any longer. He pointed out what had been pointed out by him (General Smuts) and many others—that the time had come for them to clear up the situation which had arisen. The change that had come about was recent. It found its formal expression in our presence and our participation in the deliberations at Paris and in our signing the Peace Treaty. That was the formal recognition of the new position of the Dominions—that in foreign relations they were to take a part and speak for themselves, and that they would no longer be bound by the voice and signature of the British Government. Paris and the Peace Treaty was the formal recognition of the great new departure that had taken place. Nothing had happened since Paris. Paris was simply the first step, the formal recognition. We had to follow the position in all its details if we wanted to reach clearness and definiteness as regards our position in the Empire and the relations of these nations in the Empire. That was inevitable.

A CASE IN POINT.

Take, for instance, the method by which our correspondence was conducted with the British Empire. There was the Colonial Office in London. All our correspondence—with some exceptions—all our formal correspondence from this Union was conducted with the Secretary of State for the Colonies through the Colonial Office. Now it was felt that that was an anomaly. The Colonial Office, such as it was to-day, was a right and proper institution years ago when the British Empire was on the old basis, but on the new basis why should we conduct our correspondence with the Colonial Office? It was felt in England and by the British Government just as strongly as it was felt in South Africa that a change was required there. In the same way there were many other questions which had to be cleared up. There were questions of the Constitution, there were theoretical questions which had to be cleared up, and there were practical questions which ought also to be cleared up, in order that the Dominions might know exactly where they stood and where they were in this new position which they admittedly occupied in the world to-day, and not only in the world but in the British Empire.

The only way to clear up the situation was to call this constitutional conference, and he hoped that this conference, if it were called next year, would be able to go thoroughly into the whole position, and on the basis of the equality of the various parts of the British Empire frame a scheme which would make it possible for us to be free, to be equal, but, subject to the retention of our freedom and equality, to see in what way we could conduct the affairs of the Empire in which we were all interested on a common basis. Mr. Langenhoven had drawn an inference from Lord Milner's speech to which he (General Smuts) would like to draw attention. He had inferred and expressed the idea that this could only be done by the majority binding the minority, that you could only conduct the common affairs of the Empire in future by the majority binding the minority, and he had argued, and argued quite rightly, that if that were so, then this new order that was going to be built up in the Empire would mean an inroad on the local autonomy of the separate parts of the Empire.

There were other similar anomalies arising. Take the position of the Governor-General. In former days he was a representative of the Colonial Office in the old, now non-existent Colony. The position had changed, and the old self-governing Colony had become a Dominion of entirely different position and standing, and the Governor-General ought now no longer to be the representative of the British Government or the Colonial Office in the Dominions. That was admitted. Under the new system the Governor-General should be what he is called under the Constitution, the representative of the King and nothing else, whereas the Governor-General, instead of being the representative of the King and the supreme executive power in the Dominion, also represents in some undefined way the British Government and the Colonial Office. That was a second anomaly which had arisen and which ought to be cleared away.

FOREIGN RELATIONS AND AFFAIRS.

There was a third much more serious matter, and that was the matter referred to by Mr. Hees in the course of the debate, when he asked what was the position of South Africa in regard to her foreign relations and affairs. The British Government seemed to be conducting, just as heretofore, the foreign affairs and relations of the Empire. We had taken to ourselves the right of equality, but in practice we are still represented in our foreign relations by the diplomats of the Foreign Office. That was the case, and that was one of the anomalies that existed now. Although we had risen to the position such as he had described, yet, as their institutions were to-day and the conditions which existed to-day in the British Empire, they had practically nothing to say in regard to their foreign relations. Although the Dominions enjoyed the new status, yet they found no reflection of it in the administration of their foreign affairs. With regard to commercial affairs the matter was different, as the Dominions had their own trade representatives all over the world. They were represented by their officer at Lourenco Marques, and, indeed, all the Dominions were represented, but apart from commercial relations as regards diplomatic representation and foreign policy the British Government was supreme and controlled the situation.

AN HONOURABLE MEMBER: What about Canada?

THE CANADIAN PRECEDENT.

GENERAL SMUTS: Canada is the first alteration that has been made. In the case of Canada the position has become so acute that it became necessary to make a departure of most far-reaching consequences. Canada was now and in the future to be represented by her Minister Plenipotentiary with full power on behalf of Canada to conduct negotiations with the United States of America Government at Washington. That was the first indication of the great change that was coming. The matter had not gone farther. That was the first precedent, and members could see that a new situation had arisen in the new status of the Dominions, which required reconsideration of the whole matter. He had been met with arguments and questions in South Africa, on every platform throughout the country, on this subject, and he had asked that these matters should be cleared up, because unless they were and they wanted to see the Empire break up, those discrepancies would have to be removed. If there was to be closer union, they should have this conference, and doubts should be cleared away and the constitutional position as now developing should be laid down and understood, especially in the United States of America, as there was no doubt that there was a complete misunderstanding in that country about the world's position of the Dominions. The people of America showed this in the fight they made in the Senate against the representation given to the Dominions in the League of Nations. It was for this purpose that a constitutional conference was necessary. He agreed with Lord Milner and what had been said, and if this conference did its work in a proper way it would become a great landmark in the history of the British Empire and of the world. Such a conference, he hoped, would be called next year, and he hoped South Africa would take its part. With regard to the claim made by Mr. Langenhoven, he thought that in a matter of such importance the House should have an opportunity of full discussion before the South African representatives proceeded to London or wherever the conference might be held. He hoped that full opportunity would be given to the country and to Parliament to express its views on this far-reaching question.

MR. LANGENHOVEN: You hope, or you undertake?

GENERAL SMUTS: I cannot undertake, but if that should happen I hope that the representatives will make as great a fight for this country as I have made in the past. There was a consensus of opinion about the sort of questions which should be discussed at this constitutional conference, and General Smuts thought that there was a general trend of opinion all over the British Empire as to the sort of answer that ought to be given to this question. He believed that as things were developing in the British Empire—not only in Great Britain, but in the Dominions—there was practically a unanimous opinion that the British Empire could only continue to exist on the basis of complete freedom and equality. The old basis of force and subjection had passed away. A new world had arisen and a new Empire

had to be moulded in consequence. That raised another point referred to—how it would be possible for the Empire to speak with one voice. It was felt that if the British Empire had to exert its real influence in the affairs of the world it could be only by complete unanimity. He asked how that could be achieved. It was inferred from Lord Milner's speech, though he did not say so—in fact, he knew better than to say so—that the only way that unanimity could be achieved would be to give the majority power to pass resolutions on behalf of the Empire, and that the majority would be in a position to bind the minority. If that were so, said General Smuts, then he agreed with Mr. Langenhoven that, however much they might talk about liberty and equality, they would be worse off, and they were not going to be coerced by the majority of the Empire in these matters. No resolutions should be taken without the unanimous consent of all the members of the Empire. Let them look to that as bedrock, and he would never agree to the voice of South Africa being smothered or the opinion of South Africa being coerced by the majority vote of the rest of the British Empire, and he was sure that the other Dominions would take up the same position. If Australia were to be coerced or an attempt made in that direction, then the Empire would not continue to exist. That was common ground, and that was the ground which should be taken not only by the Dominions, but by the British Government—that no resolution could be taken binding on any part of the Empire without its free consent. What remained? asked General Smuts. There remained only one method, which Lord Milner described as an exchange of ideas, free discussion among members trying to understand the difficulties and looking to the future. There could be no force, no coercion, no majority vote binding the minority. The only way would be the conference system, and if they could agree to take a resolution well and good; and if they could not do so, then they would have to go on without agreeing. That was the only system, and he was sure that if they brought together the important statesmen from the various parts of the British Empire and they discussed these great questions which concerned them in common—the questions of foreign relations, common defence, trade, and so on, not only in their own relations, but also in their relations with the rest of the world—he was sure that in the great majority of cases it would always be found that some solution would be arrived at, and that if it were impossible to reach a conclusion, then they would have to agree to differ on the point. That was the only basis for the future.

UNIQUE POSITION OF SOUTH AFRICA.

He felt that it was entirely in the interests, not only of the British Empire, but of the world, that there should be such a conference system where they discussed each others affairs. He was assured that it was entirely in the interests of the Dominions to have this free discussion and complete interchange on all matters affecting them in common, and if that were done they would remain the Empire of the world. He wanted South Africa to exert its influence in the world. In South Africa they took a humble view of their own position. They were a small people, and they forgot the part they had to play in the great world, and they overlooked the importance that they really played in world movement. He was struck by Mr. Lloyd George's letter to General Hertzog, in which he said that South Africa exerted a far greater influence at Paris through its representatives than had been done by more important Powers at the Peace Conference. South Africa stood with its feet in both worlds. One section of its population, unlike the other British Dominions, had one foot on the continent of Europe and the other foot on the British Isles, and very often its point of view was dominated by the continental aspect of the case. The newer population came from the British Isles, and they were more and more dominated by the English point of view. That gave South Africa a very peculiar and a very important position, and that was why they could see both sides of the case better, perhaps, than statesmen in other parts of the world. It was in their blood and training—(cheers)—and he was sure their position was such, not only on racial grounds, that it entitled them to exert great influence in the affairs of the world, only, he said, do not let them isolate themselves. Let South Africa speak and they would listen to her voice. (Cheers.) He feared nothing for the future. Mr. Langenhoven had spoken with a great deal of personal bitterness against him, and had twitted him with his past and his present, and Mr. Van Hees had done the same.

MR. LANGENHOVEN: Not an atom. (Ministerial dissent.)

GENERAL SMUTS said he would accept this denial. (Hear, hear.) Let him say, however, that he had not changed in the least. The things he stood and fought for twenty years ago he stood for to-day. (Ministerial cheers.) He was then for this country, great and free and independent, and so he was to-day, and so he hoped to be in the future. But he had changed in one respect, and let him admit it freely. In the old days he thought the only path by which their ideal could be reached was by a Republic in South Africa, and for that Republic he fought, but he had learned from the events in which he had taken part since, that there was another way for South Africa to become great, free and independent without taking the road which he thought was essential twenty years ago. It was not necessary to talk about secession or the right to secede in order to achieve the ideal they were after. He was as sure as he stood there, and speaking with the seriousness of a man who had paid a heavy price for these things, that the people of this South Africa could be free and happy and in complete control of its destinies without running all those risks and embarking on those enterprises which on the alternative road would be necessary. That was the position. It seemed to be clear that if they wanted to reach their goal, and if they wanted to remain in harmony with the British Empire and keep all the parts working in harmony together for so long as Providence should will it so, they must follow this system. It was a system of free deliberation and consent. The final decision so far as this Union was concerned rested, and would always rest, with one country and one body only, that was South Africa, the South African Parliament and Government. Let it be clearly understood that, so far as he was concerned, whatever decision was to be taken and whatever final say was to be said with regard to South African affairs, it would not be said in London, nor at any conference, but by the people, the Parliament and the Government of this country; but subject to that overruling condition. Let them talk together and discuss their affairs, and in that way keep together in the future. He was sure that was the way of affairs all over the world to-day. Nations were ceasing more and more to be isolated within their own boundaries, and it was necessary for the whole world to talk together to exchange ideas and so prevent the danger of misunderstanding. It was a position which was growing more and more. It was an international situation growing out of the difficulties of the past and the developments now with us. He hoped South Africa, without any fear, with open eyes and with faith in the future, would embark on this road, protecting her rights and continuing her status, and determined always to do the best for herself, but never in a selfish way, to co-ordinate her own interests with those of the British Empire and the world as a whole. He hoped the honourable member understood now how he took Lord Milner's statement. He took it as entirely harmless. Not only as harmless, but as entirely required by our own interests here. That conference was wanted, and South Africa's position required to be made clear to see if it were not possible to develop the system he referred to so that we might live on terms equivalent with the rest of the Empire and in peace with it.

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No. 13.

EXTRACTS FROM QUESTIONS AND ANSWERS IN THE HOUSE OF ASSEMBLY, 8TH JUNE, 1920.

(“CAPE TIMES” 9TH JUNE, 1920.)

GENERAL SMUTS ANSWERS MR. BEYERS.

MR. BEYERS asked the Prime Minister whether he would, before Parliament was prorogued, state to the House what the intentions of Government were with regard to the Imperial Conference of 1921 for discussing our relations to the Empire?

General Smuts replied: It is probable that Parliament will meet again after the present session and before the Imperial Conference assembles. The Government therefore considers a statement such as is asked premature during this session.

Mr. Beyers next asked whether, in view of the practical equality of the Union with the United Kingdom, the Government was prepared to introduce legislation declaring that all Acts of the British Parliament, and especially the Colonial Laws

Validity Acts of 1865, in so far as they affected South Africa, were inoperative and null and void in the Union; and, if not, why not?

"No," replied General Smuts. "The situation was fully explained in the debates in this House during the last special session. No further action is contemplated."

Mr. Beyers then asked whether, in view of the practical equality of the Union with the United Kingdom, the Government will introduce legislation declaring the decisions of the Appellate Division of the Supreme Court of South Africa in every respect final, without any right, direct or indirect, of further appeal to the Privy Council or to the King for leave to appeal to the Privy Council?

"No," again replied General Smuts. "Appeals to the Privy Council are regulated by the South Africa Act, which we do not intend to repeal in this respect."

APPOINTMENT OF GOVERNOR-GENERAL.

Mr. Beyers had a further question, which was: Whether the Government will in future see that the appointment of the Governor-General takes place solely on the advice of the Government of the Union of South Africa, and not on the advice of the British Government as hitherto; and, if not, why not?

"No," once more General Smuts replied. "The subject affects all the Dominions equally, and it is not for South Africa to take isolated action." (Laughter.)

Mr. Beyers finally asked: Whether in view of the practical equality of the Union with the United Kingdom the Government will introduce legislation or a motion declaring that the so-called right of veto of the King with regard to the legislation of the Union will in future mean nothing more than the right of veto of the King in relation to legislation of the British Parliament; and, if not, why not?

"No," General Smuts said, amid further laughter. "The King's veto rests on the provisions of the South Africa Act, which it is not intended to repeal in this respect. No veto has been exercised by the King over Acts passed by the Union Parliament."

Mr. J. W. G. Steyn asked: Whether, in view of the practical equality of the Union with the United Kingdom, the Government is prepared to take steps for acquiring a Union flag which will in all respects supersede the British flag known as the Union Jack; and, if not, why not?

General Smuts replied: "No." The question of the flag of the Empire concerns all the Dominions, and should be discussed at the next Imperial Conference on constitutional relations."

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No. 14.

EXTRACT FROM A SPEECH BY GENERAL SMUTS (PRIME MINISTER),
AT PRETORIA, ON 3RD DECEMBER, 1920.

"RAND DAILY MAIL" (4TH DECEMBER, 1920.)

THE BRITISH CONNEXION.

I HAVE explained the fundamental objects and standpoints of the South African Party and our attitude to South Africa's dominating racial problem. I proceed now to state our views on the Imperial connexion and on Imperial and external relations generally. What is our attitude towards the future position of the Union? Do we meet secession with a mere barren negative? Or have we a positive ideal to put in the place of the separatist republic of the Nationalist programme. To these questions our Party has definite and clear answers. (Applause.)

When the Nationalists speak of "independence," and of secession from the Empire as necessary to secure that independence, they are dominated by pre-War conceptions, and fail to take account of the fundamental change which the War and the peace have effected in the constitution of the British Empire. If by independence the Nationalists mean (as they allege) an independence which is friendly to, and in friendly association with, the British Empire, and not an independence

hostile to the Empire, then I say in all sincerity and conviction that such an independence we can have in fullest measure without secession from the Empire. (Applause.) That is the great change in the status of the Dominions, to which I have often referred in my speeches.

The British Empire undoubtedly began as an Empire of the old type, the United Kingdom being invested with sovereign power over the subordinate parts (Colonies, Protectorates, and such like) spread over all the Continents. But the movement of that Empire was ever in the direction of more freedom to its subordinate parts, and from time to time free self-government was conferred on one colony after the other.

The movement went still further with the constitutions of the great Dominions which even before the War enjoyed full legislative and executive sovereignty, but only in respect of their own internal affairs. Their Parliaments had full power to pass laws, their Governments had full power to administer their affairs, but only within their territorial boundaries. Beyond their borders they had no power or authority. On questions of foreign relations with other countries, on questions of peace and war, they had no power or voice, and the United Kingdom spoke and acted for them. In other words, they had no international status.

That was the Empire which still existed on 4th August, 1914. When Peace was signed on 28th June, 1919, it had fundamentally changed; it had, in fact (as I have before said), ceased to exist. As a result of the War and the prodigious war efforts of the Dominions, and the determination of their statesmen no longer to occupy subordinate positions, the Dominions took part in the Peace Conference on an equal footing with the other Powers and States, and their representatives signed the Peace Treaty on behalf of their Dominions along with the representatives of the other Powers and States. (Applause.)

In other words, the international status of the Dominions inside the British Empire was recognized by all their co-signatory States. And in future the Dominions have in principle authority and power, not only in respect of their domestic questions, but also of their international or foreign relations, and the questions of peace or war which may affect them. If a war is to affect them they will have to declare it. If a peace is to be made in respect of them, they will have to sign it. (Applause.)

While all subordination in their status has disappeared, and their independence has been achieved, yet many of the old forms of subordination still remain, as there has not yet been time to work out the results achieved at Paris to their practical detailed conclusions. In a few years, however, this should be possible. (Applause.)

The principle of equality of national status between the United Kingdom and the Dominions will have to be worked out to its fullest conclusion. The last vestige of anything in the nature of subordinate status in that relationship will have to disappear.

STATE WITHIN THE EMPIRE.

These are not my boastful words: I quote the considered language of the present Under-Secretary of State for the Colonies. (Applause.) That is the road, the bloodless, constitutional road to independence which the South African Party proposes to take. (Applause.) We abjure secession, with its dangers and futilities. We desire to remain in the British Empire, but not in a dependent or subordinate status. (Applause.) As a free, equal, independent State in the British Commonwealth of Nations, which is taking the place of the old Empire; as a free, equal, sovereign member of the League of Nations, we wish to realize in peace and amity with the Empire and the world the destiny which Providence has in store for us. (Applause.)

We are as keen as the most ardent Nationalist to realize the future political greatness and independent status of the Union. The only difference between us is that we are travelling along a broad, well-marked, constitutional road which will assuredly bring us to our goal, while the Nationalists are bound to fail with their secession policy, just as they failed with their independence deputation to the British Government last year. (Applause.)

Surely this continual girding and gibing at the British Empire and the League of Nations is dangerous arrogance. (Applause.) This Nationalist policy of truculent isolation leads nowhere except to disappointment and trouble. (Applause.)

SOVEREIGN STATUS.

The South African Party is out for sovereign status for South Africa. (Applause.) So far from surrendering any of its rights to the League of Nations or to any Council of the Empire, it is for the fullest development and assertion of those rights. (Applause.)

But it recognizes gratefully that we are members of the British Commonwealth, and of the great body of civilization represented by the League of Nations. It recognizes also that the old order of State isolation and the rule of the strongest, which followed from it, is passing away. It sees a new world order arising, under which States will agree to peaceful co-operation and mutual protection, as do citizens in a State, and so make wars unnecessary and illegal. (Applause.)

It finds in both the new British Commonwealth and the League of Nations the beginnings of this new order of peace and justice, consultation and co-operation. (Applause.) And it wishes South Africa to be associated with her sister nations of the Commonwealth and of the League in endeavouring to make a success of this grand experiment, on which so much depends for the peace and welfare of the human race. (Applause.)

In all this there is no risk that the interests of South Africa will be sacrificed for external interests. For neither the constitution of the League nor of the Empire demands any action from us which we do not ourselves freely choose to take, either through our Parliament or our Government. No majority vote can bind us. (Applause.)

The international system now arising both in the League and the British Empire is not one of compulsion, but of free discussion, conference, and consultation among the nations, and no nation is bound to take any action without its own free consent given in accordance with its own constitution. That is the written constitution of the League of Nations, and that is and will remain the practice of the unwritten British constitution.

IMPERIAL RELATIONS.

As regards our Imperial relations especially, the South African Party favours the development of the periodic conference system between the various Governments of our Commonwealth with a view to removing possible causes of friction and misunderstanding, furthering the interests of the Commonwealth and its component States, and discussing workable ideas of common policies. We are opposed to closer union, either in the shape of Imperial Federation with legislative power, or an Imperial Council with executive power, in derogation of the status of the Dominions. (Applause.)

But, while leaving the legislative and executive rights of the Dominions intact, we favour the round table or conference system for discussion and consultation between the Governments in regard to the common interests and policies of our Commonwealth. This is our Empire policy, and it is utter nonsense to call this Imperialism. (Applause.)

VI.

CONFERENCE BETWEEN REPRESENTATIVES OF THE SOUTH AFRICAN PARTY IN THE CAPE PROVINCE, AND REPRESENTATIVES OF THE NATIONALIST PARTY IN THE CAPE PROVINCE.

65056

No. 15.

EXTRACTS FROM ACCOUNT OF PROCEEDINGS AS GIVEN IN THE "CAPE TIMES" OF 6TH OCTOBER, 1919.

(Enclosure in Governor-General's despatch No. 822, dated 18th October, received 13th November, 1919.)

The last matter to come before the Congress was the most important—the upshot of the "hereniging" Conference with the South African Party Committee of five.

Mr. W. A. Hofmeyr, who acted as spokesman of the Nationalist "Hereniging" Committee, stated what had taken place. The South African Party Committee of five and the Nationalist Committee of five had met on Friday night, and Mr. P. van Aardt was elected Chairman. It was mentioned that the Congress of the South African Party had agreed on the principle of "hereniging," and, in conformity with the statement made by General Smuts at the Congress, which was stated to be on all fours with what he had announced in Parliament.

The South African Party members had then asked, with regard to the third clause of the "basis of hereniging" agreed to at Somerset East, whether Nationalist members understood by that that they should continue their republican propaganda, and the reply was in the affirmative. The other side thereupon said that they could not accept it.

They (the Nationalists) wanted to know whether the other twelve points of the Somerset East "basis" would be accepted, and the South African Party members said that on the whole they would.

After a long debate on the third article, and in order to accede to the request which had been made more clearly to describe what "true national principles" were, the Nationalist members had placed seven clauses before the joint meeting, which Mr. Hofmeyr read to the Congress, and the effect of which briefly was virtually the same as new clause 4 of the programme of principles of the Nationalist Party, fully referred to in Saturday's issue.

The South African Party members, on their side, gave their version, which Mr. Hofmeyr also read out. There were thus, he said, four declarations before the gathering of the Committee: (1) Somerset East basis; (2) the Prime Minister's declaration; (3) the Nationalist declaration; and (4) the South African Party declaration. The South African Party members did not agree to the "Union being placed on exactly the same basis as the United Kingdom," nor with the sentences dealing with the "ultimate ideal of sovereign independence."

Present Position Accepted.

The Nationalists accepted the British Commonwealth of Nations, but did not accept that the matter should always remain there.

Old Article 4 of the Nationalist programme of principles had led to some difference of opinion as to what its exact meaning was, said Mr. Hofmeyr, and therefore a new Article 4 had been drawn up, which more clearly stated what their intentions were, but the South African Party members would not accept that new article. He must point out that that new article had not been drawn up for the purposes of "hereniging," although it so happened that it had been adopted just at that time.

It was agreed that both sides desired the Union to develop on evolutionary lines, but it was a question of what methods were to be employed. Pertinent questions were thereupon asked the South African Party members, dealing with specific matters, and these Mr. Hofmeyr read out.

They may be summed up as follows:—

(1) Are you in favour of the Union having its own flag?—South African Party reply: Yes.

(2) Are you in favour of a free overseas market for our gold and other products?—Reply: Yes, because we have such a free market already.

(Laughter from Nationalist Congressmen.)

(3) No more contribution to Navy, and our own Union Fleet?—Yes, if it is possible.

(4) Own mint separate from that of the United Kingdom, and own Union coinage?—Yes, if it is to economic benefit of South Africa.

(5) No more titles in South Africa, cf. Canada?—We have no mandate from our Congress. In principle we are not against it, but at the present time it is not advisable to abolish them, because it may lead to friction and misunderstanding. It is a question of individual freedom to accept or reject titles.

Governor-General from Union.

(6) Do you favour a Union Governor-General, appointed by His Majesty, on the advice of his Union Ministers?—Yes.

(7) Do you agree that the Union should be neutral in case of world war?—Yes.

(8) And if England declares war or concludes peace?—Yes. It follows from the other answer. We consider ourselves free as regards all interior and foreign matters.

(The answer appeared to cause a good deal of pleased astonishment and cheers.)

(9) Do you favour our having our own Consuls and Ambassadors in other countries?—In principle, yes. If it does not cost too much. (Laughter).

(10) Do you agree that British Colonial Laws Validity Act should be repealed?—We do not like to give an opinion, as we are not acquainted with that Act, but if it is as you say, we answer, yes.

(11) Do you favour abolition of King's right of veto, or rather, if he exercises his veto, that it should be on the advice of his Union Ministers and not on that of his British Ministers?—Yes.

(12) Do you agree to British garrison being sent to Union without our consent?—We prefer our own defence system, and to look after defence of Union ourselves.

One Radical Difference.

"In all these practical matters," continued Mr. Hofmeyr, "you see that, with a few exceptions, they are in agreement with us. (Cheers.) Well, it is said that there is a radical difference between us. They object to our republican propaganda. We, on our part, do not desire to use violent methods, but desire to go to work on constitutional lines, and we cannot give up the ideal of ultimate independence. (Cheers.) We cannot promise to put an end to our raising this matter in public. If you do not allow people to express what is in their minds and hearts, and you bottle up their feelings, you only get just what our friends of the South African Party want to avoid—a revolution. (Hear, hear.) We do not want to force republicanism. We do not say that there should be a republic if there is only a small majority of the public of the Union in its favour, because we do want to consider the minority. Minorities also have their rights. (Hear, hear.)"

"However, they could not agree with us on this matter, and stuck to the declaration of the Prime Minister that we cannot at any time secede. They argued that republican propaganda will lead to trouble and dissension, and they said, or hinted, that some day a change might come about somehow, and this may bring about our freedom, but they would not be with us in our propaganda, which they objected to. And there the matter rests for the present. On this matter we could not see eye to eye."

Mr. F. W. Beyers, K.C., M.L.A., said that he desired to correct one little thing Mr. Hofmeyr had said, which had reference to the King's veto. The King had a veto; but it did not depend on the advice of his British Ministers. It was his veto, but it was purely theoretical, and had not been exercised in practice for the last two hundred years.

Mr. Fremantle's Fear.

Mr. Fremantle asked whether the matter of a resident Union Minister in London had been raised, because he held that if there was to be such a Minister, it only meant Imperial Unionism in another guise.

Mr. Beyers replied in the negative.

VII.

EXTRA-TERRITORIAL LEGISLATION IN CANADA.

10887

No. 16.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 1st March, 1920.)

[Answered by No. 17.]

(No. 92.)

SIR,

Government House, Ottawa, 16th February, 1920.

WITH reference to Lord Milner's despatch of the 5th August, Dominions No. 619,* I have the honour to transmit, herewith, copies of an approved minute

* Not printed. This enclosed copy of [Cmd. 266] (i.e., draft International Air Navigation Convention agreed by a Sub-Commission of the Peace Conference). See Dominions Nos. 76 and 81 for correspondence as to this Convention.

of the Privy Council for Canada on the subject of the International Air Navigation Convention. 90

2. You will observe that my Ministers desire that an amendment to the British North America Acts may be submitted to the Imperial Parliament declaring generally in effect that an enactment of the Parliament of Canada, otherwise *intra vires*, shall operate and be deemed to have operated, extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom.

I have, &c.,

DEVONSHIRE.

Enclosure in No. 16.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 5TH FEBRUARY, 1920.

(P.C. 2613.)

THE Committee of the Privy Council have had before them a report, dated 16th December, 1919, from the Minister of Justice, stating that he has had under consideration the report of 5th December, 1919, of the Chairman of the Air Board, recommending that His Majesty's Government be requested to promote legislation by the Parliament of the United Kingdom "providing that any law of Canada relating to aircraft registered in Canada may extend to such aircraft and personnel licensed as well without as within the territorial limits of Canada," and submitting the following observations with reference thereto:

This submission suggests the desirability of considering the more comprehensive question as to the extra-territorial effect which is, or ought to be, incident to the legislation of the Dominion.

It was held by the Judicial Committee of the Privy Council in *Queen versus Burah*, 3 A.C. 903-5, that "the Indian legislature has powers expressly limited by the Act of the Imperial Parliament which created it, and it can, of course, do nothing beyond the limits which circumscribe these powers. But, when acting within those limits, it is not in any sense an agent or delegate of the Imperial Parliament, but has, and was intended to have, plenary powers of legislation as large, and of the same nature, as those of Parliament itself. The established courts of justice, when a question arises whether the prescribed limits have been exceeded, must of necessity determine that question; and the only way in which they can properly do so is by looking to the terms of the instrument by which, affirmatively, the legislative powers were created, and by which, negatively, they are restricted. If what has been done is legislation within the general scope of the affirmative words which give the power, and if it violates no express condition or restriction by which that power is limited (in which category would, of course, be included any Act of the Imperial Parliament at variance with it), it is not for any court of justice to inquire further or to enlarge constructively those conditions and restrictions."

Moreover in *Hodge versus The Queen*, 9 A.C. 131-2, it was held by the same tribunal upon a contention of the appellants that the local legislatures of Canada could not delegate their powers, that this objection was founded on an entire misconception of the true character and position of the provincial legislatures which were in no sense delegates of or acting under any mandate from the Imperial Parliament. And their lordships proceeded to say that "When the British North America Act enacted that there should be a legislature for Ontario, and that its legislative assembly should have exclusive authority to make laws for the province and for provincial purposes in relation to the matters enumerated in section 92, it conferred powers not in any sense to be exercised by delegation from or as agents of the Imperial Parliament, but authority as plenary and as ample within the limits prescribed by section 92 as the Imperial Parliament in the plenitude of its power possessed and could bestow. Within these limits of subjects and area the local legislature is supreme, and has the same authority as the Imperial Parliament, or the Parliament of the Dominion, would have had under like circumstances to confide to a municipal institution or body of its own creation authority to make by-laws or resolutions as to subjects specified in the enactment, and with the object of carrying the enactment into operation and effect."

The principle thus enunciated was reaffirmed by Lord Watson in the later case of *The Liquidators of the Maritime Bank of Canada versus Receiver-General of New Brunswick* 1892, A.C. 441-3.

Certain it is that the laws of the United Kingdom cannot, any more than those of Canada, operate within a foreign jurisdiction to which the sanction of the enacting authority does not extend; but, in the case of the former, when the intention is manifest that domestic consequences are to follow upon extra-territorial acts or omissions, the Minister apprehends that it is the duty of the judicial tribunals of the United Kingdom to see that these provisions do not fail of effect by reason of any denial of the omnipotence of Parliament.

Whether the laws of Canada in like cases impose a similar obligation upon the domestic tribunals may be a debatable question, and the purpose of this report is to submit that the existence of any doubt as to the propriety of resolving that question in the affirmative is incompatible with the true purpose and intent of the constitution of the Dominion, and the position which Canada occupies as a constituent state of the Empire exercising with respect to all matters appertaining to the self-government of Canada, sovereign legislative authority.

In *Attorney-General for Ontario versus Attorney-General for Canada*, 1912, A.C. 582, the Lord Chancellor (Loreburn), delivering the judgment of the Judicial Committee, said: "In 1867 the desire of Canada for a definite constitution embracing the entire Dominion was embodied in the British North America Act. Now, there can be no doubt that under this organic instrument the powers distributed between the Dominion on the one hand and the provinces on the other hand cover the whole area of self-government within the whole area of Canada. It would be subversive of the entire scheme and policy of the Act to assume that any point of internal self-government was withheld from Canada."

In the well-known case of *McLeod versus Attorney-General for New South Wales*, 1891, A.C. 455, their lordships of the Judicial Committee had before them an appellant convicted of bigamy, who had been lawfully married in the Colony of New South Wales, and who had subsequently contracted a bigamous marriage in the United States of America, and it was held that the Statute upon which the indictment was founded did not, according to its true interpretation, extend to the offence charged; but their lordships added that they were of the opinion that "if the wider construction had been applied to the statute, and it was supposed that it was intended thereby to comprehend cases so wide as those insisted on at the bar, it would have been beyond the jurisdiction of the Colony to enact such a law. Their jurisdiction is confined within their own territories, and the maxim which has been more than once quoted, *Extra territorium jus dicenti impune non paretur*, would be applicable to such a case. Lord Wensleydale, when Baron Parke, advising the House of Lords in *Jefferys versus Boosey*, expresses the same proposition in very terse language. He says: 'The legislature has no power over any persons except its own subjects—that is, persons natural-born subjects, or resident, or whilst they are within the limits of the kingdom. The legislature can impose no duties except on them; and when legislating for the benefit of persons must, *prima facie*, be considered to mean the benefit of those who owe obedience to our laws, and whose interests the legislature is under a correlative obligation to protect.' All crime is local. The jurisdiction over the crime belongs to the country where the crime is committed, and, except over her own subjects, Her Majesty and the Imperial legislature have no power whatever. It appears to their lordships that the effect of giving the wider interpretation to this statute necessary to sustain this indictment would be to comprehend a great deal more than Her Majesty's subjects; more than any persons who may be within the jurisdiction of the Colony by any means whatsoever; and that therefore, if that construction were given to the statute, it would follow as a necessary result that the statute was *ultra vires* of the Colonial legislature to pass."

It is not necessary to discuss the proposition suggested by the McLeod case that there is a limitation of legislative power common to the Parliament of the United Kingdom and to Colonial Legislatures whereby the exercise of that power in either case becomes in a measure ineffective for the creation of offences in foreign countries; because the object of the Minister will be achieved if it be established that the authority of the Dominion, in relation to the matters legislatively committed to it, is not in this respect less extensive than that of His Majesty's Imperial Parliament; and it is to be observed that Lord Halsbury in his qualified denial of jurisdiction for crime, save to the country where the crime is committed, states

in effect that the colonies, in common with Her Majesty and the Imperial Parliament, have no power, except over British subjects, with respect to crime extra-local; and that the wider interpretation necessary to sustain the indictment would comprehend more than Her Majesty's subjects. Consequently, this case is not an authority for attributing to the Dominion territorially a more limited legislative authority in the execution of its legislative powers than that possessed by His Majesty's Imperial Parliament.

It is provided by section 177 of the Army Act that "where any force of volunteers, or of militia, or any other force, is raised in India or in a colony, any law of India or the colony may extend to the officers, non-commissioned officers and men belonging to such force, whether within or without the limits of India or the colony; and any such law may apply, in relation to such force and to any officers, non-commissioned officers, and men thereof all or any of the provisions of this Act, subject to such adaptations, modifications and exceptions as may be specified in such law, and where so applied this Act shall have effect in relation to such force, subject to such adaptations, modifications and exceptions as aforesaid; and where any such force is serving with part of His Majesty's regular forces, then so far as the law of India or the colony has not provided for the government and discipline of such force, this Act and any other Act for the time being amending the same shall, subject to such exceptions and modifications as may be specified in the general orders of the General Officer Commanding His Majesty's Forces with which such force is serving, apply to the officers, non-commissioned officers and men of such force, in like manner as they apply to the officers, non-commissioned officers and men of the regular forces."

This provision certainly contemplates that colonial legislation governing the military forces of a colony has or shall have effect beyond the limits of the colony, but it is not improbably introduced rather for the purpose of defining in the cases to which it refers the application of the Army Act, and to avoid conflict as between the Imperial and the local statutes, than to confer a power upon the local authorities to regulate their military forces when serving abroad; a power which, in the view presented by the Minister, was consistently with the decisions already incident to colonial authority. In any case this enactment furnishes a precedent for statutory acknowledgment of the operation of local laws beyond colonial limits.

A question as to the extra-territorial effect of a statute of Canada came up for consideration directly in the case of *Attorney-General for the Dominion versus Cain versus Gilhula*, 1906, A.C. 542. The Alien Labour Act of the Dominion provided for the expulsion from Canada of aliens who entered the country contrary to the prohibition of the Act. The respondents Cain and Gilhula were men of this description; and, having been apprehended with a view to their deportation, obtained their discharge upon habeas corpus by order of a Canadian judge upon the ground that section 6 of the Alien Labour Act, upon which the deportation proceedings were founded, transcended the powers of the Dominion Parliament inasmuch as it purported to authorise the Attorney-General, or his delegate, to deprive persons against whom it was to be enforced of their liberty without the territorial limits of Canada. The Judicial Committee reversed this judgment upon appeal; and Lord Atkinson, pronouncing the judgment, stated the question and his conclusion as follows:—

"The question, therefore, for decision in this case resolves itself into this: Has the Act 60 and 61 Vict. c. 11, assented to by the Crown, clothed the Dominion Government with the power the Crown itself theretofore undoubtedly possessed to expel an alien from the Dominion, or to deport him to the country whence he entered the Dominion? If it has, then the fact that extra-territorial constraint must necessarily be exercised in effecting the expulsion cannot invalidate the warrant directing expulsion issued under the provisions of the statute which authorises the expulsion."

It has already been decided in *Musgrove versus Chun Teong Toy* that the Government of the Colony of Victoria, by virtue of the powers with which it was invested to make laws for the peace, order and good government of the colony, had authority to pass a law preventing aliens from entering the colony of Victoria. On the authority of this case section 1 of the above-mentioned statute would be *intra vires* of the Dominion Parliament. The enforcement of the provisions of this section no doubt would not involve extra-territorial constraint, but it would involve the exercise of sovereign powers closely allied to the power of expulsion and based on the same principles. The power of expulsion is in truth but the

complement of the power of exclusion. If entry be prohibited it would seem to follow that the Government which has the power to exclude should have the power to expel the alien who enters in opposition to its laws. In *Hodge versus Reg.* it was decided that a colonial legislature has within the limits prescribed by the statute which created it 'an authority as plenary and as ample . . . as the Imperial Parliament in the plenitude of its power possessed and could bestow.' If, therefore, power to expel aliens who had entered Canada against the laws of the Dominion, was by this statute given to the Government of the Dominions, as their lordships think it was, it necessarily follows that the statute has also given them power to impose that extra-territorial constraint which is necessary to enable them to expel those aliens from their borders to the same extent as the Imperial Government could itself have imposed the constraint for a similar purpose had the statute never been passed."

The *Cain and Gilhula* case is the only one in which a decision specifically relating to the point under consideration has been pronounced in relation to the Dominion by the tribunal of ultimate authority; and the judgment maintains, as appears from the foregoing extract, the extra-territorial authority of the Parliament of Canada with respect to the particular legislation which was under review.

It thus appears that in the leading case in which a question was submitted the decision was resolved favourably to the Dominion; but a general rule is of such great importance, and the occasion for its application emerges so frequently in connexion with legislative acts which become necessary in the development of the policy of the country, and in relation particularly to matters of navigation and transport, that it is undesirable that the question should remain subject to any doubt.

In the growth of the constitution the United Kingdom and the Dominions have under His Majesty relations which may be assimilated to those of independent sovereign states, each exercising within its own compass exclusive and independent sovereign powers of legislation and government, and which make it constitutionally the duty of the Parliament of the United Kingdom on the one hand to see that its legislation does not invade the appropriate sphere of Dominion authority, and for the Parliament of the Dominion, on the other, to see that its legislation is confined within that sphere. By the observance of these principles perfect harmony is ensured, but the attribute of unlimited sovereignty with its incidents is just as essential for the peace, order, and good government of Canada within its constitutional range of authority as it is for the United Kingdom within its own domain, or for the Empire as a whole in relation to Imperial affairs. With respect to the latter, this report is not concerned with the method by which the Dominions may best co-operate in the framing and execution of the legislative measures which may be necessary to give effect to the general policy in which all parts of the Empire have a common interest. This submission has to do simply with obtaining, for the avoidance of doubt, a declaration by the Parliament of the United Kingdom of Dominion extra-territorial authority in respect of all matters constitutionally pertaining to the Dominion.

For the reasons hereinbefore stated the Minister recommends that His Majesty's Government be requested to submit, for the sanction of Parliament of the United Kingdom, an amendment to the British North America Acts declaring generally, in effect that an enactment of the Parliament of Canada, otherwise *intra vires*, shall operate and be deemed to have operated extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom.

The Committee concur in the foregoing and advise that Your Excellency may be pleased to transmit a copy hereof, if approved, to the Secretary of State for the Colonies for the information of His Majesty's Government.

All which is respectfully submitted for approval.

RODOLPHE BOUREAU,
Clerk of the Privy Council.

To His Excellency the Governor in Council.

5th December, 1919.

THE undersigned has the honour to direct attention to the constitutional limitation whereby the operation of Canadian legislation does not extend beyond the territorial boundaries of Canada, and to the express provision of the Air Board Act which, in recognition of this constitutional limitation, authorises the Air Board, subject to the approval of Your Excellency in Council, to regulate and control aerial navigation only "over Canada and the territorial waters of Canada."

The proposed Convention relating to International Air Navigation on the other hand imposes upon states which become parties to it an obligation (Article 26) to "adopt measures to insure that every aircraft under its flag, wherever it may be, shall comply" with certain Rules of the Air and other regulations contained in Annex D to the Convention, and that "it will punish all persons who do not observe these regulations."

Having regard to the existing constitutional limitations, it is impossible for Canada to perform this obligation, and the Air Board is of opinion that it is expedient, and indeed necessary, that it should be made possible for Canada to do so.

A like difficulty in the case of the land and air forces in any colony has been met by a provision (Army Act, section 177) whereby a colonial law applying to any force raised in the colony may extend to the officers, non-commissioned officers and men belonging thereto, whether the force is within or without the limits of the colony.

The undersigned has consequently the honour to recommend that an humble address be presented to His Majesty asking that like provision may be made in the case of the laws of Canada relating to Air Navigation, and that a statute be passed by the Imperial Parliament providing that any law of Canada relating to aircraft registered in Canada, and to personnel licensed in Canada, may extend to such aircraft and personnel as well without as within the territorial limits of Canada.

Humbly submitted,

ARTHUR L. SIFTEN,
Chairman, the Air Board of Canada.

10887

No. 17.

THE SECRETARY OF STATE to THE ACTING GOVERNOR-GENERAL.

(Sent 7.0 p.m., 6th May, 1920.)

TELEGRAM.

[Answered by No. 29.]

(Paraphrase.)

6TH MAY. Referring to your despatch 16th February, No. 92,* I observe that notice has been given of address to King setting out actual terms of proposed amendment of British North America Act. It is difficult to arrive at any very clear idea as to the precise scope of the amendment owing to the general terms in which it is couched. In particular, proposal that Canadian legislation should have same effect as if enacted by Parliament of United Kingdom may raise difficulty with other Dominions as appearing to place them in same relation to Canadian Parliament as to Parliament of United Kingdom.

The question is thus one which will require very careful consideration, and does not admit of immediate reply. It would be of assistance if I could be informed what points proposed amendment is intended to cover beyond the extension of jurisdiction to aircraft registered in Canada or personnel licensed in Canada. Legislation can be introduced at once for this latter purpose if desired that it should be done.—MILNER.

* No. 16.

COLONIAL OFFICE to FOREIGN OFFICE, HOME OFFICE, WAR OFFICE,
ADMIRALTY, AIR MINISTRY, AND BOARD OF TRADE.

[Answered by Nos. 19, 20, 23, 24, 25 and 27.]

SIR, Downing Street, 27th May, 1920.
[To Board of Trade only.—With reference to your letter of the 5th March,*] I am directed by Viscount Milner to transmit to you copy of a despatch† from the Governor-General of Canada relative to the desire of the Canadian Government that general powers of legislating extra-territorially should be conferred on the Canadian Parliament, together with copy of a letter which has been addressed to the Law Officers of the Crown on the subject.

2. Lord Milner would be glad to receive any observations which [Earl Curzon of Kedleston] [Mr. Secretary Shortt] [the Army Council] [the Lords Commissioners of the Admiralty] [the Air Council] [the Board of Trade] may have to offer.

I am, &c.,
HENRY LAMBERT.

Enclosure in No. 18.

COLONIAL OFFICE to LAW OFFICERS.

GENTLEMEN, Downing Street, 27th May, 1920.
I AM directed by Viscount Milner to transmit to you copy of a despatch† from the Governor-General of Canada (dated the 16th February), forwarding an approved Minute of the Privy Council for Canada in which the Canadian Government request His Majesty's Government to submit, for the sanction of the Parliament of the United Kingdom, an amendment to the British North America Act, declaring generally in effect that an enactment of the Parliament of Canada, otherwise *intra vires*, shall operate, and be deemed to have operated, extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom.

2. On the 26th February, 1920, the Minister of Justice gave notice in the House of Commons of Canada of a Resolution for an Address to the King, praying His Majesty to give his consent to submit a measure to the Parliament of the United Kingdom to amend the British North America Act, 1867, by adding the following sub-section to Section 91 of that Act:—

"Any enactment of the Parliament of Canada otherwise within the legislative authority of the Parliament shall operate and be deemed to have operated extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom."

3. It will be observed that the question was raised primarily with reference to legislation for the control of aerial navigation, especially in connexion with the International Air Convention and that there is no suggestion in the Minute of Council that so far as the Convention is concerned, the necessary powers for carrying out the obligations which it will impose on Canada, if ratified by His Majesty in respect of the Dominion, already exist under Section 132 of the British North America Act.

4. The Air Navigation Bill now before Parliament, which will enable effect to be given to the Convention so far as this country and the Colonies are concerned, is drawn up on the basis that the Dominions will pass their own legislation for the purpose. I am to enclose in this connexion a copy of a letter dated the 7th January, 1919, from the Minister of Justice to the Prime Minister of Canada, in which Sir R. Borden expressed his concurrence, dealing with an early tentative draft Bill printed in the Report of the Civil Aerial Transport Committee (*vide* enclosed copy of the Parliamentary Paper [Cd. 9218]). It will be seen that strong exception was taken to that draft Bill as not only governing Canadian aircraft when beyond the limits of Canada but also regulating aircraft even while in or over the territory of the Dominion.

* 12772: not printed; it transmitted copy of Memorandum enclosed in No. 6 in Dominions No. 64.
† No. 16.

5. Had the request in the Minute of Council been confined to the matter of aerial legislation, Lord Milner would have taken immediate steps to meet the wishes of the Canadian Government, but the very general terms in which the proposed amendment of the British North America Act is expressed appear to him to call for the most careful consideration from both a legal and a constitutional point of view, and he has accordingly sent to the Canadian Government the telegram* of which a copy is enclosed.

6. It will be observed that the letter of the Minister of Justice mentioned in paragraph 4 of this letter, while asserting the sole right of the Canadian Parliament to legislate for Canadian aircraft while out of the Canadian jurisdiction, was equally emphatic in asserting the same right in respect of all aircraft within the Dominion. The allusion in the Minute of Council to Section 177 of the Army Act (which appears in an adapted form as Section 177 of the Air Force Act) suggests, however, that the proposed amendment does not exclude legislation for other parts of the Empire. In any case the terms of the proposed amendment are not such as to exclude the possibility of conflicts of law between Canadian legislation and Acts of the Imperial Parliament operating extra-territorially or the possibility of the Canadian Parliament legislating for other parts of the Empire. So far as the Imperial Parliament and the United Kingdom and the Colonies are concerned this is a matter solely between His Majesty's Government and the Canadian Government, but it is open to grave question whether His Majesty's Government would be justified, so far as the other Dominions are concerned, in assenting on their own responsibility to any arrangement which might derogate from their existing jurisdictions. The difficulty of dealing with the proposal of the Canadian Government is, of course, increased by the fact that it is retrospective in character.

7. The only Dominion Constitution which expressly confers power to legislate ex-territorially is that of the Commonwealth of Australia. Section 5 of the Commonwealth of Australia Act (63 and 64 Vic. Ch. 12) declares that "the laws of the Commonwealth shall be in force on all British ships, the Queen's ships of war excepted, whose first port of clearance and whose port of destination are in the Commonwealth" and Section 51 (X) of the Constitution gives the Commonwealth Parliament power to legislate for "Fisheries in Australian waters beyond territorial limits." The powers of Dominion Parliaments generally to legislate for ships outside their territorial limits are those conferred by Section 735 and Section 736 of the Merchant Shipping Act, 1894. Lord Milner is consulting the Board of Trade as to the position of British ships other than those registered in Canada, not engaged in the coasting trade, under the proposal of the Canadian Government, and their views will be communicated to you later. In the meantime, I am to invite attention to the general statements as to the respective provinces of the Imperial and Dominion Parliaments in merchant shipping matters contained in the despatches to the Commonwealth Government of the 29th November, 1907, and the 18th September, 1908 (No. 3 and No. 7 in [Cd. 3891] and [Cd. 4355] respectively), to the correspondence as to Canadian Merchant Shipping legislation printed in the accompanying Colonial Office prints (Dominions Nos. 9, 18, 43, and 56) and to Resolution XXIII of the Imperial Conference of 1911 and the discussions at that Conference on the legislative powers of the Dominions in regard to Merchant Shipping ([Cd. 5745,] pp. 18, 144-6, 149-153, 406-424). A Consolidating Bill relating to Merchant Shipping is now under consideration in Canada. A memorandum on the Bill by the Board of Trade recently communicated to the Canadian Government is also enclosed.

8. Other Departments that may be concerned are also being consulted and their views will be submitted to you when received. In the meantime Lord Milner would be glad if you would take the matter into consideration and favour him with any observations which you may be good enough to offer on the legal and constitutional problems involved in the proposal put forward by the Canadian Government.

I am, &c.,
HENRY LAMBERT.

* No. 17.

SCHEDULE OF ENCLOSURES.

- (1) Despatch from the Governor-General No. 92, 16th February, 1920. (No. 16.)
- (2) Mr. Doherty, 7th January, 1919 (3639/19). (See below.)
- (3) [Cd. 9218.]
- (4) Telegram to Governor-General, 6th May, 1920. (No. 17.)
- (5) [Cd. 3891.]
- (6) [Cd. 4355.]
- (7) Dominions No. 9
- (8) Dominions No. 18
- (9) Dominions No. 43
- (10) Dominions No. 56
- (11) [Cd. 5745.]
- (12) Memorandum in Board of Trade letter. (Enclosure in No. 6 in Dominions No. 64.)
- (13) Canadian Shipping Bill (in 12343/14).

Colonial Office confidential prints.

(3639.)

Sub-enclosure 2.

MR. C. J. DOHERTY (Minister of Justice) to SIR ROBERT BORDEN (Prime Minister).

DEAR SIR ROBERT,

London, 7th January, 1919.

IN relation to the reports of the Civil Aerial Transport Committee, the draft of the proposed International Convention with regard to Aerial Navigation, and the draft of a Bill for the regulation of Aerial Navigation referred to in these reports, I desire to submit the following observations bearing upon the position of the Dominions generally, and of Canada in particular, as it may be affected by the Convention of the proposed legislation.

I.

The Convention by its terms does not apply as of right, except to the mother countries of the contracting States. The second paragraph of Article 48 provides the method whereby it may be put into force in colonies, possessions or protectorates of any such State. I would suggest that in so far as the self-governing Dominions are concerned, their becoming bound by it should be made dependent on their adherence to it. For this manner of dealing with an analogous case, a precedent is found in the Treaty of 1911 with Japan (Article XXVI.) In view of the present national status of the Dominions, this seems a more fitting way of dealing with the matter. It puts the Dominions as towards the States, with whom the Convention may be entered into, in their true position as nations within the Commonwealth.

II.

Section 23 of the draft Bill makes applicable to all aircraft, including such as may be owned by Canadians resident or domiciled in Canada, whenever they happen to be elsewhere than in or over the territory of the Dominion, all the provisions of the proposed Act, except so far as these provisions are expressly limited to the British Islands and the territorial waters adjacent thereto. It further subjects to the provisions relating to the registration of aircraft, and those contained in collision regulations, aircraft papers regulations and signals of distress regulations, all aircraft even while in or over the territory of the Dominion, thus withdrawing, as regards these particular matters, from any control by Dominion legislation, aircraft, whether Canadian or foreign even while within Canadian territory.

Sub-section 2 of this section makes clear that in the regards just mentioned, it is intended by the Bill to limit the power of the Parliament of the Dominion, or the legislatures of any of its provinces, to make provision in relation to itself or its territory.

The enactment of such limitation is doubtless legally within the power of the Parliament of the United Kingdom. The exercise of that power is, however, I submit, unconstitutional.

The proposed legislation, as appears by what is above stated, not only governs all aircraft the property of Canadians whenever they pass beyond the limits of Canada, but furthermore as regards the particular matters of registration, collisions, aircraft papers, and signals of distress, governs and subjects to regulations to be made under its provisions all aircraft, Canadian and foreign, while actually within Canadian territory.

That, under the provisions of the Canadian Constitutional Acts, all these matters are proper subjects of legislation, either by the Parliament of the Dominion, or the legislatures of the provinces, does not appear to be open to question. Indeed as has been pointed out, sub-section 2 of Section 23 of the Bill practically concedes that the United Kingdom Parliament, in dealing with them, limits the powers conferred upon the legislative bodies of the Dominion. This action constitutes an invasion of Canada's rights as conferred upon her by the Act of 1867 and the different amendments thereto. As such it is open to the gravest objection, which it seems but proper should be brought to the notice of the Imperial Cabinet.

So far as, with regard to the particular matters in question, it may be deemed desirable that there should be uniformity of law within the Commonwealth, that uniformity can, without difficulty, be brought about by concurrent action of the legislatures of the different parts.

The principle that it is the constitutional right of the self-governing Dominions to legislate exclusively with regard to subjects coming within the purview of the powers conferred upon them is too well established, and too fully recognized for it to be necessary to insist upon it.

It will doubtless be sufficient to ensure its being respected in the present instance, that attention should be called to the fact that the enactment by the Parliament of the United Kingdom of the provisions above referred to, would be a violation of that principle.

Yours sincerely,
CHAS. J. DOHERTY.

28833

No. 19.

FOREIGN OFFICE to COLONIAL OFFICE.

[Answered by No. 26.]

SIR,

Foreign Office, S.W.1, 10th June, 1920.

WITH reference to your letter of 27th May,* relative to the desire of the Canadian Government that general powers of legislation extra-territorially should be conferred on the Canadian Parliament, I am directed by Earl Curzon of Kedleston to state that, in his opinion, the Canadian proposal seems somewhat larger than is warranted by the circumstances of the case. The need for large and practically unlimited extension of legislative powers of the Canadian Parliament is not established by the fact that Canada has signed, or intends to sign, the Air Convention; that particular difficulty could be immediately dealt with, as has been pointed out in Lord Milner's telegram of 6th May.†

2. Lord Curzon, however, would be glad if the following observations on the general question of extending the field within which Dominion legislation can operate, might be brought to the notice of Viscount Milner.

3. Although the change is quite informal, the fact cannot be concealed that the Peace Conference of 1919 has effected a complete change in the position of the self-governing Dominions. Their admission to membership of the League of Nations has imposed upon them obligations which cannot be circumscribed by the geographical limits of their respective territories, and a right to legislate with effect outside their own borders on matters within their competence, seems to be an inevitable outcome of the position which the Dominions have now attained. Unless, for instance, Canada is given power to legislate in a way which binds Canadians outside her borders, she will find it almost impossible to carry out the obligations under Article 16 of the Covenant, of compelling all Canadians to cease financial or commercial transactions with a Covenant-breaking State. Unless an extension of

* No. 18.

† No. 17.

the existing powers of legislation is conferred, it will be necessary for the Dominion Government to come to the Imperial Parliament on each occasion to supplement the Dominion legislation, and to force a Dominion to do so is inconsistent with that separate membership of the League which was definitely and formally assured to the Dominions.

4. The aspect of this question which is imminent is that which touches the Dominions upon whom "C" mandates have been conferred. The mandate for German South-West Africa has been accorded to the Union of South Africa, that of New Guinea to Australia, and of Samoa to New Zealand, upon the footing that those areas are to become an integral part of the territory of the respective Dominions. Those areas, however, do not become, from the technical and legal point of view, British territory or a portion of the territory of the Dominion. As the rights of the Parliaments of South Africa, Australia, and New Zealand stand today, those Parliaments have no power to legislate for these new areas which are to become an integral part of their territory, and yet by the terms of the Covenant, these ex-German colonies are to be subject to the legislation of the Dominion concerned.

5. The only proposal which has as yet been made for overcoming this difficulty has been the issue of an Order in Council under the Foreign Jurisdiction Act of 1890, but it seems doubtful whether this method would satisfy the Dominions, and Lord Curzon understands that General Smuts has protested strongly against it. It is, moreover, doubtful whether such a proceeding is even feasible, in view of the fact that an Order in Council under the Foreign Jurisdiction Act is void if it is in conflict with the statute law of the United Kingdom. Consequently, the Foreign Jurisdiction Order, or any action taken under such an Order in the territory concerned, for the enforcement of a Dominion law which was in conflict with the United Kingdom law, would be invalid. The most satisfactory solution of the problem would seem to be to increase the legislative powers of the Dominion Parliaments and to confer upon them the right to legislate on subjects otherwise within their competence with effect outside the limits of the Dominion.

6. With regard to the question of the possibility of conflict between the legislation of the Dominion concerned and that of the United Kingdom, or of some other Dominion, I am to add that although in theory this objection is very strong, Lord Curzon thinks that undue importance should not be attached to it. The same possibility of conflict exists between the legislative powers of any two Sovereign independent States. Every Sovereign State has the right to legislate for all persons within its borders, and for all its subjects elsewhere. The French Legislature today, for instance, has rights which might theoretically raise the same possibility of conflict with the legislative rights of the Imperial Parliament, as would happen if this extension of the legislative powers of the Dominion Parliaments were accorded, but in practice conflicts of this kind arise but seldom. The sphere within which the legislation of each State is to operate is well understood, and when any difficulties do arise, they can usually be smoothed over without trouble.

I am, &c.,

V. WELLESLEY.

30996

No. 20.

AIR MINISTRY to COLONIAL OFFICE.

[Answered by No. 33.]

SIR,

Air Ministry, Kingsway, London, W.C.2, 23rd June, 1920.

WITH reference to your letter of the 27th ultimo,* transmitting a copy of a despatch from the Governor-General of Canada relative to the desire of the Canadian Government that general powers of legislation extra-territorially should be given to the Canadian Parliament, I am commanded by the Air Council to state, for the information of Viscount Milner, that inasmuch as the present relations of the Dominions and India to the United Kingdom, and their status as contracting States under the International Air Navigation Convention, have

* No. 18.

led to their exclusion from the provisions of the Air Navigation Bill, which is now before Parliament, it appears to the Council that it will be necessary for the Dominions and India, in order to carry out their obligations under the Convention, to pass legislation applying extra-territorially to aircraft carrying their nationality mark wherever such aircraft may be.

It would consequently appear that if the existing constitutions of the Dominions do not empower the passing of such legislation, then these constitutions should be enlarged by Imperial Statute to the degree necessary for such purpose.

I am to add that the Council consider that power should also be given to the Dominions to legislate for offences committed on their aircraft when over the high seas or over other States (since in the latter case it is possible that for one reason or another the offence may not be dealt with by the territorial State), and in this connexion I am to call attention to clause 13 (1) of the Air Navigation Bill, a copy of which is enclosed,* and to suggest that it might be helpful on this point.

I am, &c.,

C. R. BRIGSTOCKE.

34572

No. 21.

EXTRACT FROM DEBATES IN CANADIAN HOUSE OF COMMONS,
24TH JUNE, 1920.

BRITISH NORTH AMERICA ACT.

RIGHT HONOURABLE C. J. DOHERTY (Minister of Justice) moved the following proposed resolution:—

Resolved, That a humble Address be presented to His Most Excellent Majesty the King in the following words:—

To the King's Most Excellent Majesty:

MOST GRACIOUS SOVEREIGN:

WE, Your Majesty's most dutiful and loyal subjects the Commons of Canada, in Parliament assembled, humbly approach Your Majesty praying that you may graciously be pleased to give your consent to submit a measure to the Parliament of the United Kingdom, to amend the British North America Act, 1867, in the manner following, or to the following effect:—

"An Act to amend the British North America Act, 1867.

"Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same as follows:—

"1. Section 91 of the British North America Act, 1867, is hereby amended by adding thereto the following subsection:—

"2. Any enactment of the Parliament of Canada otherwise within the legislative authority of the Parliament shall operate and be deemed to have operated extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom."

All of which we humbly pray Your Majesty to take into your favourable and gracious consideration.

He said: This resolution has been standing on the Order Paper practically throughout the session. I understand there is no objection to it being passed. I have had the opportunity of conferring with the leader of the Opposition and some other leading members on the other side of the House with regard to it. The entire purpose and effect of the legislation that we are asking to be enacted is to give an interpretation to the provisions of the British North America Act which will settle what is now a disputable or unsettled question. There is a jurisprudence and there are judgments which hold, or at all events are interpreted as holding, that there is something restricted in the effect of the legislation of the Parliaments of the Dominions as compared with the effect of legislation enacted by the Parliament of the United Kingdom and the effect which attaches to legislation enacted by them. The interpretation that we ask for is that it should be enacted. That the legislation of this Parliament within the scope of its attributions—it is not suggested to extend them in any way—shall be deemed to operate extra-territorially according to its

* Not reprinted.

intention in like manner and to the same effect as if enacted by the Parliament of the United Kingdom. We are not seeking to encroach on the jurisdiction of the United Kingdom. The sole purpose we seek to have made clear is that to legislation upon matters within our compass there shall attach, where Parliament attaches to it, the same extra-territorial effect that would attach to the legislation of the Parliament of the United Kingdom.

Now, that effect goes no further than that such law shall be law in Canada; we do not pretend that it can be enforced in foreign countries. But we wish to make certain that the law imposing obligations upon the citizens of Canada to be carried out outside the limits of our own country we will be entitled to enforce in our Courts whenever our citizens may return within this jurisdiction. That is precisely the power that attaches to the legislation of the Imperial Parliament. As I say, it is not at all a settled thing that it does not attach to our legislation. There are judgments which certainly justify the conclusion that it does; there are other judgments that justify the conclusion that it does not. In the absence of such settlement it would be necessary for us in each particular case to go to the United Kingdom to ask for jurisdiction.

The particular matter that has brought this to our attention is the legislation which we may be called upon to enact and the regulations which it may be necessary to impose to govern Canadian aerial navigation. Any such legislation would necessarily have to deal with Canadian aerial navigators and the management of Canadian aircraft, and I think it is obvious that if doubt be suggested as to whether we can enforce those laws with regard to the operation of any Canadian aircraft the moment it gets outside the actual limits of Canada, we would be put in a very difficult position. Now, it seemed to us better to settle the question once for all.

MR. FIELDING: Would the honourable gentleman give us some concrete cases which would make it clearer to the wayfarer, even though he be a member of Parliament and not a lawyer? I think I have grasped the intention of my honourable friend, but he might give us an illustration of what he desires to control by this legislation.

MR. DOHERTY: Take the particular instance I was mentioning—

MR. FIELDING: That was very general.

MR. DOHERTY: There are in process of preparation certain rules of aerial navigation which it is expected, under conventions and treaties to be made, will govern the aircraft of all the different nations. Under those it will be our obligation to see that our aircraft and those managing it conform to the rules not only while they are actually within our country, but when they get in the air over the ocean or over some other country.

MR. FIELDING: Up over Great Britain, for example?

MR. DOHERTY: Yes. But this won't exclude the authority of any country in which our men may be. As I pointed out, there is no pretension that our law will prevail in any other country, but if our citizen comes under the operation of this law he will be bound in addition to conform to such obligations as we may impose upon him as a Canadian citizen. That is one instance, and many others might be cited. The effect of this would be that if we did enact legislation imposing certain obligations upon our citizens while they were outside of this country, when those citizens returned we would be in a position to enforce those laws within Canada. The only effect will be to remove any doubt as to whether there is a difference between the effect of a Dominion law in that respect and the law of any other country.

MR. FIELDING: I can readily understand that where a Canadian airman—if you take him as an illustration—goes outside the three-mile limit on the high seas he would be responsible as a Canadian citizen. But the question to my mind is, if a Canadian airman goes to England and commits some offence against these laws we lay down in England is he to be punished when he returns to Canada?

MR. DOHERTY: If he has violated our laws which we have prescribed as a rule of conduct while he is outside of this country then when he returns he will be liable to such consequences as our legislation imposes.

MR. FIELDING: Even although he has already been punished in England?

MR. DOHERTY: In that case I have no doubt that the rule against punishing a man twice for the same offence would apply. But what we have in mind is that if we are going to take responsibility for our aviators carrying on in accord with the general rules that may be agreed to by the different nations, we ought to have the power of enforcing the obligations that we impose upon them. It is not easy to define exactly how far the effect goes of this extra-territorial application of the

laws of the country. But all that is asked by this legislation is that the effect attaching to the legislation of other countries extra-territorially shall attach to the legislation of this country; it simply puts us in the same position as other countries. My own impression would be that we are in that position, but it is a doubtful question and we would like to have it settled.

MR. FIELDING: It can hardly be alleged that the House is taken by surprise in connexion with this matter, as this motion has been standing on the Order Paper for nearly four months. But it has been so long on the Order Paper that most members have forgotten it, and those who have not forgotten it have supposed it was dead. However, I am assured that the matter has been one of conference between the Minister of Justice and some of the legal members on this side, and upon the assurance that it is acceptable to them, I, a poor layman, do not want to offer any objection.

Motion agreed to.

MR. DOHERTY moved:

That the said address be engrossed.

Motion agreed to.

MR. DOHERTY: I beg to move:

That a message be sent to the Senate to inform Their Honours that this House has passed an Address to His Most Excellent Majesty the King, praying that he will graciously be pleased to give his consent to submitting a measure to the Parliament of the United Kingdom to amend certain provisions of the British North America Act, 1867, in the manner set forth in the said Address hereto attached, and requesting that Their Honours will unite with this House in the said Address by filling up the blank therein with the words "Senate and".

Motion agreed to.

34572

No. 22.

EXTRACT FROM DEBATE IN THE CANADIAN SENATE, 26TH JUNE, 1920.

THE BRITISH NORTH AMERICA ACT.

Proposed Amendment—Joint Address to the King.

THE Senate proceeded to consider a Message from the House of Commons with a proposed Address to His Majesty the King, praying that he may graciously be pleased to give his consent to submitting a measure to the Parliament of the United Kingdom to amend certain provisions of the British North America Act, 1867, in the manner set forth in the said Address.

HONOURABLE SIR JAMES LOUGHEED moved that the Senate do unite with the House of Commons in the said Address by filling up the blank therein with the words "Senate and."

He said: The object of this is to secure Imperial legislation amending the British North America Act, whereby it will be placed beyond all controversy that the Dominion Government has authority to legislate extra-territorially. This legislation is desirable chiefly because of the new conditions which have arisen through the development of aerial transportation. Not only is the Government of Canada establishing an air service, but aerial transportation is being organized and established by commercial companies. This will involve of course a new branch of law, and it is desirable that there should be no question as to the authority of Canada to legislate for the punishment within its own territory of violations of the law which may take place over the territory of another nation. It is doubtful whether we have that authority to-day. Of course, every sovereign power has that authority; but, owing to the British North America Act being silent upon a question of that kind, or not dealing with it in express language, it is very desirable that we should secure the necessary legislation to permit of our regulations being enforced. We are entering into arrangements, for instance, with the United States, to enforce regulations that may be agreed upon between the two countries respecting aerial navigation. The United States, being a sovereign power, could exercise jurisdiction extra-territorially to enforce regulations, and persons who violated those regulations outside the United States could be punished upon their return to United States territory. It would be unfortunate if we in Canada were precluded from enforcing

our regulations likewise. We do not say we have not inherently that right, by reason of the constitutional powers which we already possess, but it is desirable, in view of our relations with other countries, that this should be placed beyond all peradventure. Our object is, therefore, to seek legislation amending the British North America Act so as to give us expressly that authority.

HONOURABLE HEWITT BOSTOCK: Honourable gentlemen, I have listened to the very full explanation my honourable friend has given on this matter. I regret to say that I have not been able to look into it personally as much as I would like to do, but I cannot see why this legislation is necessary. It does seem to me that any citizen of Canada who goes outside the Dominion and infringes the law of the country can be punished when he comes back if the Government thinks it desirable to punish him.

HONOURABLE SIR JAMES LOUGHEED: Not if the offence has been committed outside of Canada.

HONOURABLE MR. BOSTOCK: That is just the point.

HONOURABLE SIR JAMES LOUGHEED: Yes, that is the point.

HONOURABLE MR. BOSTOCK: The offender can be punished when he comes back. We cannot, of course, punish him if he is outside our jurisdiction.

HONOURABLE SIR JAMES LOUGHEED: It is not absolutely clear that we have the right, for the constitutional reasons I have pointed out.

HONOURABLE MR. BOSTOCK: Of course, if it is not absolutely clear, I do not see any harm in making it clear; but I should have thought that we had that right already.

HONOURABLE MR. POWER: I think that after the aviator passes the three-mile limit he ceases to be within the jurisdiction of this Parliament, and it is questionable whether anything he did then would be an offence against the laws of Canada.

HONOURABLE SIR JAMES LOUGHEED: That is the point.

The motion was agreed to.

On motion of Honourable Sir James Lougheed it was resolved that an Address be presented to His Excellency the Governor-General, respectfully requesting that His Excellency would be pleased to transmit the said Joint Address to His Majesty.

The motion was agreed to.

It was ordered that a message be sent to the House of Commons to acquaint that House that the Senate has adopted the said Address.

31872

No. 23.

BOARD OF TRADE to COLONIAL OFFICE.

[Answered by No. 33.]

Board of Trade (Marine Department).

SIR, Great George Street, London, S.W.1, 28th June, 1920.

I AM directed by the Board of Trade to acknowledge the receipt of your letter of 27th May,* concerning the desire of the Canadian Government to be given general powers of legislation extra-territorially. In reply I am to enclose, for the information of the Government, a Memorandum setting out the bearing of this request upon merchant shipping law.

In this connexion, I am to refer to the resolutions which were passed at the Imperial Merchant Shipping Conference of 1907, and I am to call attention to the fact that although the New Zealand representatives brought forward at the Conference in 1911 a resolution pressing for the grant of further legislative powers to the Dominions in relation to merchant shipping, this resolution was not pressed.

Before, therefore, any extension of the powers of the Dominion Legislatures with respect to merchant shipping can be decided upon, and its scope (if it is decided to make it) determined, it appears desirable that the matter should be fully discussed at any general conference of Dominion representatives with representatives of His Majesty's Government which may be held in the near future.

I have, &c.,

G. E. BAKER.

* No. 18.

Enclosure in No. 23.

EXTRA-TERRITORIAL OPERATION OF CANADIAN LEGISLATION.

Merchant Shipping.

1. THE Canadian Government have asked that an amendment may be made to the British North America Acts, declaring that an Act of the Parliament of Canada, otherwise within their powers, shall operate extra-territorially to the same extent as Acts passed by the Parliament of the United Kingdom. Before considering the effect of such a provision on merchant shipping law, it is desirable to set out briefly how the Merchant Shipping Acts of the United Kingdom apply in relation to the British Empire. Their provisions may be said to consist of the following:—

(a) Provisions applying throughout the whole of His Majesty's dominions.

(b) Those applying to British ships generally, at foreign ports or on the high seas.

(c) Those applying only to the United Kingdom and home waters.

(a) The most important parts of the Merchant Shipping Acts, which are declared to apply throughout the whole of His Majesty's dominions, are those relating to the registry, ownership and measurement of ships, to shipowners' liability and to legal proceedings. The necessity for absolute uniformity in these matters is clear, and while it is the case that Canada has her own laws about registration, which differ in some respects from the law of the United Kingdom as laid down in Part I. of the Merchant Shipping Act, 1894, it follows from the fact that registrars of British ships all over the world are in regular communication with, and take instructions or advice from, the Registrar-General of Shipping and Seamen, that uniformity in practice is pretty well secured.

In the same way the tonnage measurement of ships is uniformly administered, as the dominions and colonies use the Board of Trade instructions in carrying out the requirements of the law. As regards shipowners' liability, which is dealt with in Part 8 (sections 502 to 509) of the Merchant Shipping Act, 1894, it is a fact that the Canadian law on this subject differs slightly from that of the United Kingdom and the rest of the Empire, and it has not been possible to trace exactly how this occurred. It is difficult to see how, if a case came before the Privy Council on appeal from Canada, it could be decided in any other way than under United Kingdom law.

Of recent years, however, it has become the practice to exclude the Dominions from legislation of this kind, and this was done, for instance, in the case of the Maritime Conventions Act, 1911, which altered our law as to collision and salvage.

(b) The parts of the Merchant Shipping Act which apply to British ships on the high seas and in foreign ports include those relative to discipline, naval courts, the collision regulations and those which determine the action to be taken by masters in relation to Consuls, and in dealing with seamen who have to be left behind abroad through illness, injury or otherwise. The provisions in regard to leaving seamen behind belong to Part II. of the Act, and apply to all British ships, including those registered in a British possession, "except where the ship is within the jurisdiction of the Government of the British possession in which she is registered" (section 261(d), 1894). It is not clear exactly what the meaning of this phrase is, but looking at sub-sections (c) and (d) of section 261, it is possible that it may apply to the case in which the colonial registered ship is engaged on a voyage which begins and ends in the place in which she is registered. On the other hand, it may merely mean while the ship is within the territorial waters of that Possession. As some of the provisions in regard to leaving seamen abroad apply to things happening "at any place out of the United Kingdom," and other provisions apply only to places outside of His Majesty's dominions, the latter interpretation is the more probable.

(c) The parts of the Merchant Shipping Acts which apply only in the United Kingdom are those relating to the organization of mercantile marine offices, surveyors, etc., to fishing boats, and to purely internal matters like wreck, salvage, lighthouses, and pilotage. In these purely local matters no question can arise as to the Dominions having extra-territorial jurisdiction, as they relate solely to things which occur either in the country or within territorial waters, or to ships

which never, in fact, come within any other jurisdiction, such as fishing boats, which may go beyond the three mile limit but which do not as a rule go into ports outside a dominion or colony. There are certain other provisions such as those relating to the detention of ships for unseaworthiness, the marking of loadlines, and the provisions relating to passenger steamers, which apply only to ships being at or sailing from ports in the United Kingdom or the British Islands; but many of these provisions impose a continuing liability which follows the ship throughout her voyage. For example, while the British ship which does not come to the United Kingdom need not be marked with a loadline under the Merchant Shipping Acts, once she has come to a United Kingdom port she must be marked and must remain marked until her next return.

2. The general powers of colonial legislatures in regard to merchant shipping are contained in sections 735 and 736 of the Merchant Shipping Act, 1894. The Board of Trade regard these sections as giving power to a British dominion or possession to legislate for her own registered ships, and for all British ships engaging in the coasting trade of the dominion or possession. Section 735 gives power to "repeal wholly or in part any provisions of this Act . . . relating to ships registered in that Possession," and this power has been taken to imply the power to substitute other provisions for those repealed. It is a little difficult to determine exactly how far this power extends, but in the view of the Board of Trade it would not enable a British dominion or possession, having repealed the provisions of our Acts in relation to safety (e.g., life-saving appliances, loadline, etc.), to claim thereafter that ships registered in the dominion or possession could come to the United Kingdom without complying with our, or equivalent, requirements. The point is of very considerable importance in relation to Canada, because Canada at present has no requirements as to loadline (the law which was passed in 1891 not having been considered satisfactory, and not having been brought into force by Order in Council as required by section 444), and her law relative to crew space and certain other matters is not in accordance with ours. The view that a dominion or colony can make some laws in regard to shipping, which have extra-territorial operation, is, however, supported by certain provisions of our Acts, such as, for example, section 114 (4), 1894, which provides that the master of a ship registered in a British possession need not comply with the United Kingdom law as to agreements, if he has an agreement with the crew made in accordance with the law of the port of registry or of that at which he engaged the crew.

Further, provision is made in sections 264 and 444 for the recognition of passenger certificates and loadline certificates granted in a British possession, though in both these cases the recognition has to be made by a Special Order in Council. Section 264 definitely provides that if a dominion or possession applies or adapts Part II. of the Act to certain ships the law has effect throughout His Majesty's dominions.

As regards those provisions of the Merchant Shipping Act which relate to things to be done on the high seas or by masters and by British Consuls in foreign ports, there is no definite provision in empowering British possessions to deal with matters of that kind. From a practical point of view it would be very embarrassing if Consuls had to deal with British ships registered in various ports of the Empire in a different way according to the port of registry of the vessel. It seems, therefore, essential that the laws which apply to British ships in foreign ports should be uniform, and the only way in practice to secure this uniformity is either by creating an Imperial code or by leaving the matter to be dealt with entirely by United Kingdom law.

3. Reference was made to the provisions of section 735 of the Merchant Shipping Act of 1894, which gives power to British possessions (including what are now dominions) to repeal provisions of the Merchant Shipping Act, which extend to the colony. There is, however, no provision by which a possession or dominion can repeal laws made in another possession or dominion, and if we assume that in general the idea was that a British possession or dominion had (in general) only territorial jurisdiction, there was obviously no need for such a provision. If, however, dominions or possessions were to be given extra-territorial jurisdiction generally with regard to shipping there would certainly be possibilities of considerable conflict of law. It may be stated roughly that the merchant shipping legislation of Canada has not developed so far as that of this country, and on the other hand, Australia and New Zealand have gone further

in a good many ways, as, for example, by dealing with wages questions in their merchant shipping law, and by imposing a number of requirements on shipowners in excess of our law. It is unlikely that New Zealand, for instance, would agree to Canadian ships coming to her ports and claiming to be free from the requirements which are imposed by law on New Zealand ships, while we should equally object to Canadian ships claiming to be absolutely free from our jurisdiction while in United Kingdom ports. We, on the other hand, have always claimed that ships registered in the United Kingdom need not comply with the (to us) excessive requirements of the Australian and New Zealand law, so long as they do not engage in the Australian or New Zealand coasting trade. This is in accordance with the view that a dominion or colony should only legislate, in so far as her legislation is not in strict agreement with that of the United Kingdom for ships registered in the dominion or colony or engaged in the coasting trade. A difficulty which arises through a strict adherence to this principle is that of the colonial-registered ship which trades outside of the jurisdiction of her own colony. For example, a certain number of Canadian-owned sailing ships transferred their registers to Barbados in order to evade certain Canadian requirements in regard to certificated officers. We have, however, in practice, agreed that a colonial Government can require any British ship sailing from her port to carry certificated officers to the same extent as similar ships are required to carry certificated officers when sailing from a port in the United Kingdom.

A further example of the possibilities of conflict between the law of the United Kingdom and of certain dominions is contained in the legislation which has been passed by Australia, Canada and New Zealand, on the lines of the Harter Act, of the United States, to prohibit shipowners from inserting in bills of lading clauses limiting their liability in the case of damage to cargo. The New Zealand law on this subject was at first drawn to apply to all contracts of carriage relating to goods shipped to and from New Zealand, but after representations from the Home Government, the New Zealand Government agreed to limit the effect of their legislation to goods carried from New Zealand or contracts entered into in New Zealand.

The present position of merchant shipping legislation through the Empire is in certain respects unsatisfactory. The real solution of the difficulty is to have an Imperial code, but, as indicated above, the practical difficulty is that Canadian legislation is not in certain respects up-to-date, and Australia and New Zealand have in our view imposed certain obligations which are not necessary on grounds of safety, or go beyond the statutory requirements enacted in the United Kingdom in the interests of seamen. South Africa, as yet, has not much shipping and no recent merchant shipping legislation. There are, however, indications that United Kingdom and Australian legislation may come closer together. If so, one great difficulty in the way of uniformity will be removed. If a satisfactory agreement could be made with all the dominions on merchant shipping law we should then have very little objection to agreeing to the Canadian proposal, so far as merchant shipping is concerned. Until this can be done, however, it is desirable to maintain the present position as laid down in the Merchant Shipping Act, 1894, and in the resolutions of the Conference of 1907.

35867

No. 24.

WAR OFFICE to COLONIAL OFFICE.

[Answered by No. 33.]

SIR,

War Office, London, S.W.1, 20th July, 1920.

WITH reference to your letter of the 27th May last,* relative to the desire of the Canadian Government that general powers of legislation having extra-territorial effect should be conferred on the Canadian Legislature, I am commanded by the Army Council to acquaint you, for the information of Viscount Milner, that they see no danger, from a War Office point of view, in the proposal to confer these powers, seeing that, under section 177 of the Army Act, the Canadian Government already has such powers in respect of the forces raised in the Dominion.

2. The first part of section 177 of the Army Act is quite general in its terms, and it is open to the Canadian Legislature to apply to the Canadian Forces a code of military law entirely different from the Army Act. The subsequent provision of the section enabling the Canadian and other Colonial Legislatures to apply the Army Act is purely permissive and it is open to them to adopt the British code or to have an entirely different code.

3. In these circumstances the Army Council do not see that so far as the War Office is concerned any prejudicial effects need follow from the proposal of the Canadian Government.

I am, &c.,

H. J. CREEDY.

39026

No. 25.

HOME OFFICE to COLONIAL OFFICE.

[Answered by No. 33.]

SIR,

Home Office, Whitehall, 6th August, 1920.

With reference to your letter of the 27th May last,* transmitting a copy of a despatch from the Governor-General of Canada relative to the desire of the Canadian Government that general powers of legislation extra-territorially should be conferred on the Canadian Parliament, I am directed by Mr. Secretary Shortt to forward herewith a copy of a memorandum on the subject which is designed to raise various points which deserve consideration and may possibly be of assistance to the Law Officers if Lord Milner thinks well to send it to them.

I am, &c.,

E. BLACKWELL.

Enclosure in No. 25.

MEMORANDUM.

It is somewhat difficult to deal with the question of the possible trouble to which the amendment of section 91 of the British North America Act, 1867, suggested by the Canadian Government, may give rise on questions of nationality and the treatment of aliens until we know what are the views of the Law Officers as to the legal and constitutional effect of the proposed amendment, and as to whether it involves any real extension of the present legislative powers possessed by Canada. At the same time, one cannot approach the consideration of the particular points which are of interest to the Home Office without forming some view upon the general question.

The amendment proposes to give extra-territorial effect where necessary to legislation which is otherwise within the legislative authority of the Parliament of Canada.

The Canadian argument as disclosed in the copy of the Canadian Privy Council report of the 5th February, 1920, is to the effect that the amendment is merely declaratory of the existing law. Their argument is based upon a number of judicial decisions which are quoted. Upon those decisions the Canadian Government seek to justify the proposition that Canadian Legislature already possesses legislative powers which may take effect outside the territorial limits of Canada and that "the United Kingdom and the Dominions have under His Majesty relations which may be assimilated to those of independent sovereign states each exercising within its own compass exclusive and independent sovereign powers of legislation and government." It is the duty, they say, of the Imperial Parliament not to invade the appropriate sphere of Dominion authority. The propositions enunciated by the Privy Council in this report are of a general nature and are apparently intended to be of general application. The whole question has been provoked, however, by the Canadian desire for special extra-territorial authority in connexion with the proposed legislation on the subject of aircraft control. Navigation and transport are also mentioned as matters in respect of which extra-territorial powers of legislation may be required (see page 4 of the report).

* No. 18.

The only case which directly bears upon the proposal advanced by the Canadian Government is that of Attorney-General for Canada *v. Cain*, 1906 A.C. 542. The decision of the Judicial Committee of the Privy Council in that case was to the effect that the expulsion of an alien under the Canadian Alien Labour Act cannot be invalidated merely by reason of the necessity for such extra-territorial constraint as may be necessary for the purpose of effecting the expulsion and that the Crown must be deemed to have clothed the Dominions with the necessary powers for this purpose. The Canadian argument based on this case is that whereas the Parliament of Canada is shown to have extra-territorial authority with respect to the particular legislation under review in that case, it is therefore necessary and right that the proposal shall be enacted in general terms so as to give effect to this extra-territorial authority in any case where it is required. But even though constitutionally the Canadian Legislature now possesses authority to legislate for the Dominion in exactly the same way and to the same extent as the Imperial Parliament could have legislated for Canada if the powers of the Imperial Parliament had not been delegated to the Canadian Government, that legislative authority is on the face of it intra-territorial in its scope since Canadian Legislature has authority to legislate only for the peace, order and good government of Canada. In considering, therefore, whether the proposed amendment involves an extension of Canadian legislative authority, it is impossible not to feel that there is some significance in the Canadian desire for an express declaration of extra-territorial powers. Such an express declaration is an entirely different thing from a legal decision to the same or similar effect (as in the Attorney-General *v. Cain*) that in order to carry out a particular course of action which has been authorized by statute it may be necessary to infer an authority to produce certain extra-territorial consequences.

Whatever may be the precise legal consequences of the proposed amendment it seems therefore to represent an attempt by the Canadians to extend their powers, and it is necessary to deal with it on the basis that there is at least danger that if passed the amendment may enable the Canadian Government to pass laws purporting to affect other parts of the Empire. The undesirability of a situation in which such a claim is possible is in itself a strong objection to the amendment. The fact that there is at present no clear indication that the Canadian Government have any intention of making an unreasonable use of the amendment if passed is insufficient to dispose of this objection.

In considering the possible effects of the amendment upon subjects which are of special concern to the Home Office, namely, nationality, naturalization, and the treatment of aliens, it is not easy to see what kind of legislation it would be open to the Canadian Parliament to pass so as to give rise to conflicts of law within the Empire, or (as regards the deportation of aliens) so as to go beyond what was declared valid in Cain's case. Any attempt by a country to give extra-territorial effect to its legislation by directing things to be done and, in the event of disobedience, constraint to be exercised outside its own territory would so far as it involved action in the territory of another independent State, clearly not be recognized by that other State. Although, therefore, the relation between the Dominion of Canada and the United Kingdom or between Canada and the other Dominions is not that of one independent State to another, it is hardly conceivable that the Canadian Government would seek to impose obligations or attempt to direct things to be done in the United Kingdom or in any other part of the British Empire for the purpose of effecting the disposal of aliens by deportation from Canada.

As regards nationality and naturalization, there may be some risk of legislation which would be embarrassing to the Imperial Government and the Governments of the other Dominions. So far as Canadian local certificates of naturalization are concerned, the local certificate so long as it is on the face of it expressed to take effect in Canada only could not have effect elsewhere. It is only in cases where legislation according to its intention as judicially ascertained must necessarily have an extra-territorial effect that the amendment is intended to operate.

As regards Imperial certificates, the peculiar position of the Dominion of Canada resulting from the failure by the Canadian Government to adopt our 1914 Act in the manner intended somewhat complicates the position. The conclusion that the passing of legislation similar to and to a great extent in exactly the same terms as the Imperial Act of 1914 is tantamount to adoption within the meaning of section 9 (1) of that Act is a matter of convenience and policy rather than an obvious conclusion of law. If it were decided by a competent judicial authority

that Canada had not adopted the Imperial Act, Canada would not by virtue of that Act have any power to grant an Imperial certificate. The suggested amendment might create a certain amount of inter-Dominion conflict of opinion and might precipitate recourse to a judicial decision on the true legal and constitutional position of Canada in regard to the grant of certificates of naturalization. Canada in such circumstances might seize the opportunity of using the now proposed amendment for the purpose of passing an Act designed to give Imperial validity to all certificates of naturalization granted in Canada, i.e., an Act giving such certificates an extra-Canadian effect throughout the Empire and not limited to giving effect to such certificates in those Dominions which have formally adopted our 1914 Act. Such developments are perhaps not very likely, but the possibility of unnecessary confusion and argument is to the detriment of Imperial interests. Upon the assumption that Canada *has* adopted the Imperial Act of 1914 it is possible that the amendment may give rise to confusion in a similar way. Canada has power, upon this basis, to grant Imperial certificates, but those certificates do not have effect for the purpose of conferring the status of a British subject in any Dominion which has not adopted part 2 of the Act. If, however, the proposed amendment were passed it appears to be possible that the Canadian Legislature might thereby be enabled to pass an Act expressing the intention that Imperial certificates of naturalization granted in Canada should have effect in all His Majesty's dominions irrespective of any limitations imposed by section 9 of the Imperial Act of 1914. But any such attempt would involve also a claim to pass a law which had wider extra-territorial effect within the Empire than the Imperial Act though not in excess of the powers which the Imperial Parliament could have exercised if it had desired to do so; and on the whole the risk of any such legislation by Canada may not be great.

The general conclusion is:—

(1) That the possible consequences resulting from the amendment if adopted are so largely dependent upon the decision as to its exact legal and constitutional effect that any estimate of its significance in relation to those subjects in which this Department is specially concerned must necessarily be indeterminate.

(2) The amendment, if adopted, may give rise to some difficulty and confusion on questions of nationality and naturalization. The mere possibility that questions of doubt and difficulty may arise as between the Imperial Parliament and Canada and as between Canada and the other Dominions is sufficient to throw grave doubts on the desirability of the amendment in the interests of the Empire.

28833

No. 26.

COLONIAL OFFICE to FOREIGN OFFICE.

[Answered by No. 28.]

SIR,

Downing Street, 13th August, 1920.

I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 10th June,* relative to the proposal that general powers of extra-territorial legislation should be conferred on the Canadian Parliament, and to transmit to you, for the information of Earl Curzon of Kedleston, copy of a report on the subject which has been furnished by the Law Officers of the Crown.

2. An Address to the King praying for an amendment of the British North America Act in the terms set out in the reference to the Law Officers† was passed by the two Houses of the Canadian Parliament before the recent prorogation, and it is to be presumed that a despatch may shortly be received from the Governor-General forwarding the Address and dealing with the points raised in Lord Milner's telegram of the 6th May.‡

3. It appears from the debates§ on the Address to His Majesty, of which copies will be sent to you when available, that what the Canadian Government wish to secure by their proposal is the power of enforcing in the Canadian Courts, on Canadian citizens, when they return within the Canadian jurisdiction, any obligations imposed on them by the law of Canada when outside the limits of the Dominion.

* No. 19.

† Enclosure in No. 18.

‡ No. 17.

§ Nos. 21 and 22.

It still remains necessary, however, to consider the proposal with reference to the terms in which the Imperial Parliament is asked to give effect to it. I am accordingly to inquire whether it is correctly understood from your letter that Lord Curzon sees no objection to the proposed amendment of the British North America Act on the ground that it would enable the Canadian Parliament to legislate for British subjects in foreign countries provided that these are (by whatever test may be agreed upon) Canadians, and, if so, whether this applies also to the special case of China, where British subjects generally are at present legislated for by Orders in Council under the Foreign Jurisdiction Act.

4. As regards the question discussed in paragraphs 4 and 5 of your letter of the necessity of giving the Dominions upon whom "C" mandates have been conferred the power of legislating for the mandated territories, this matter formed the subject of the Law Officers' opinion of the 23rd January, 1920,* of which a copy is enclosed for convenience of reference, and in view of that opinion does not require to be considered in connexion with the proposal of the Canadian Government. With reference, however, to the statement in paragraph 5 that an Order in Council under the Foreign Jurisdiction Act is void if it is in conflict with the Statute law of the United Kingdom, I am to observe that the Foreign Jurisdiction Act (section 12) merely provides that if an Order in Council made in pursuance of the Act as respects any foreign country is in any respect repugnant to the provisions of any Act of Parliament, etc., extending to His Majesty's subjects in that country, it shall to the extent of such repugnancy, but not otherwise, be void, and that it shall not be void on the ground of repugnancy to the law of England unless it is repugnant to some such Act, etc., as aforesaid, and that in *Queen v. Staples*, the Privy Council held that there must be repugnancy to a Statute or Order applied in some special way to British subjects in the foreign country in question. So far as repugnancy to Imperial Statutes is concerned, legislation under the Foreign Jurisdiction Act is thus in much the same position as that in which all Dominion legislation stands at present in consequence of the Colonial Laws Validity Act.

I am, &c.,

H. J. READ.

34448

Enclosure in No. 26.

LAW OFFICERS' REPORT.

WE have taken the matter† into our consideration and in obedience to Your Lordship's commands have the honour to report:—

That Section 91 of the British North America Act, 1867, gives the Parliament of Canada power to legislate for the peace, order, and good government of Canada, and amongst other subjects within this power enumerates the regulation of trade and commerce, navigation and shipping, patents and copyright and criminal law. In *Attorney-General for Canada v. Cain* (1906) A.C. page 542 it was held that a Canadian enactment was not necessarily *ultra vires* because it involved extra-territorial constraint, but no doubt, as a general rule, Colonial legislation is *ultra vires* if it purports to operate extra-territorially. The reasons for this rule are obvious. If it were acknowledged as a general principle that laws of the Colonies might have extra-territorial operation, frequent conflicts between the various Colonies would almost inevitably arise owing to overlapping and conflicting legislation. (Conflict between Imperial and Colonial legislation is prevented by the Colonial Laws Validity Act, 1865 (28 and 29 Vict. c. 63), any Colonial law repugnant to the provisions of any Imperial Act extending to the Colony being void to the extent of the repugnancy.)

It is difficult to say what would be held to be the effect of the proposed amendment, having regard to the words "otherwise within the legislative authority of the Parliament." It might be held that it merely expresses the existing law, as exemplified in *Attorney-General for Canada v. Cain* (*ubi supra*). But if it were construed as giving the Canadian Parliament power to legislate extra-territorially generally with regard to all the matters mentioned in the section, provided only that the legislation could be said to concern the peace, order and good government of Canada, it would reverse the fundamental rule that Colonial legislation must

* No. 3 in Vol. VIII of Law Officers' Opinions [4592]. See also pages 41ff of Dominions No. 80.

† Enclosure in No. 18.

prima facie relate exclusively to the Colony, and might, we think, quite probably lead to conflict with the other self-governing Dominions, who would naturally expect to be placed on the same footing in this respect as Canada.

In our opinion the Government should refuse to assent to the proposed amendment, and should consent to extra-territorial power being given to Colonies only as regards specified subjects where for special reasons it is considered desirable that they should have such powers.

GORDON HEWART.
ERNEST M. POLLOCK.

Law Officers' Department,
13th July, 1920.

41547

No. 27.

ADMIRALTY to COLONIAL OFFICE.

[Answered by No. 33.]

SIR,

Admiralty, 19th August, 1920.

In reply to your letter of the 27th May,* relative to the desire of the Canadian Government that general powers of legislation ex-territorially should be conferred on the Canadian Parliament, I am commanded by My Lords Commissioners of the Admiralty to request that you will inform the Secretary of State for the Colonies that they assume that the restrictions placed on Dominion legislation by the constituting Acts of Parliament would suffice to prevent any possibility of difficulty by reason of such legislation referring to the class of questions dealt with in the Foreign Enlistment Act or relating to Treaties, or having a bearing on International Law, etc. If this be the case, the chief importance of the proposal from the Admiralty point of view appears to lie in the effect which the conferment of the proposed powers would have on acts dealing with naval discipline. This aspect of the question has been referred to the Judge Advocate of the Fleet, whose advice is to the following effect.

2. If the Canadian Government were given general powers to legislate ex-territorially, the result would be that its Naval Discipline Act would, *prima facie*, be effective everywhere, even, for instance, in Portsmouth or Sydney harbours. Apart from the grave constitutional questions which conceivably might arise in these circumstances, it cannot be said that as things are at the present moment, there is any overwhelming objection to the proposal, inasmuch as Canada has already applied the Imperial Naval Discipline Act to her naval forces. Nevertheless, it is thought that the proposal is to be deprecated from the legal point of view. At present the view taken by legal authorities in Great Britain is that Dominion Parliaments, which have under their constitutions the power to legislate for the peace, order, and good government of the Dominions in relation to naval defence, have no power to legislate effectively for naval discipline outside the territorial waters of the Dominion. It was to surmount this difficulty that, as the result of an opinion of the Law Officers to the above effect, the Naval Discipline (Dominion Naval Forces) Act was passed in 1911. That Act ensures our Naval Defence Act being in force in Dominion ships at all events when outside the waters of the Dominions.

3. The change in the legislative powers now proposed by Canada would, no doubt, if acceded to, be demanded by the other self-governing Dominions, and the result would inevitably be that in time differences would arise in the Naval Discipline Acts in force in the different Dominion navies; differences probably at first small, but possibly later on extending to what are considered here to be essential points. The degree of objection to this depends on the ultimate development of the Dominion navies. If they become merely allied navies, the importance may be small. If, on the other hand, they become in time of emergency, as in the late War, an integral part of the naval forces of the Crown, it is very important to keep the disciplinary laws as nearly alike as possible.

* No. 18.

4. Further, it appears to be inevitable that in the immediate future the Dominion navies should depend largely for training on the Royal Navy, and there is a risk of serious difficulty when Dominion ships in peace time are attached to fleets or squadrons of the Royal Navy if the Naval Discipline Acts in force in them are different in essential points. It may be anticipated that the question would arise sooner or later whether the proviso to section 1 of the Act of 1911 (which enacts that where any Dominion forces or ships have been placed at the disposal of the Admiralty the Naval Discipline Act of the British Navy shall apply without any modification or adaptation) was not impliedly repealed, or, if not, whether it ought not to be repealed. At present the Dominions are willing to adopt the Naval Discipline Act and the Act of 1911. Whether, however, they would continue to be willing to accept our Naval Discipline Act in its entirety if the doubt as to their powers to legislate ex-territorially for naval discipline were removed, is by no means certain in view of the known tendency in the Dominions to deprecate severe punishments for offences against naval and military discipline.

5. Their Lordships agree generally with the views expressed by the Judge Advocate of the Fleet.

I am, &c.,
V. W. BADDELEY.

41479

No. 28.

FOREIGN OFFICE to COLONIAL OFFICE.

[Answered by No. 34.]

SIR,

Foreign Office, S.W.1, 20th August, 1920.

With reference to your letter of the 13th instant,* I am directed by Earl Curzon of Kedleston to state that Viscount Milner is correct in thinking that Lord Curzon does not think it necessary to raise any objection to the proposed amendment of the British North America Act on the ground that it would enable the Canadian Parliament to legislate for British subjects in foreign countries, provided that these are Canadians.

2. With regard to China, the right of the Crown to legislate by Order in Council and King's Regulations, under the Foreign Jurisdiction Act, for all British subjects in China will not, in His Lordship's opinion, be prejudiced by the conferment on the Dominion Parliament of powers to legislate for Canadians with extra-territorial effect.

I am, &c.,
ERIC PHIPPS.

45826

No. 29.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 14th September, 1920.)

[Answered by No. 39.]

(Secret.)

MY LORD,

Government House, Ottawa, 1st September, 1920.

With reference to your Secret despatch [telegram] of the 6th May, 1920,† on the subject of the proposed amendment of the British North America Act respecting extra-territorial legislation, I have the honour to transmit, herewith, a copy of a letter from the Department of the Secretary of State for External Affairs setting forth the views of the Minister of Justice.

I have, &c.,
DEVONSHIRE.

* No. 26. † No. 17.

Enclosure in No. 29.

(Secret.)

DEPARTMENT OF EXTERNAL AFFAIRS to GOVERNOR-GENERAL'S SECRETARY.

SIR,

Ottawa, 25th August, 1920.

WITH reference to a Secret despatch from the Secretary of State for the Colonies to the Governor-General, dated the 6th May, 1920, with regard to the proposed amendment of the British North America Act respecting extra-territorial legislation, I have the honour to represent that the Minister of Justice apprehends that the requisite provision cannot well be expressed except in general terms. The suggestion was that it should be declared in effect "that an enactment of the Parliament of Canada, otherwise *intra vires*, shall operate and be deemed to have operated, extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom." The limitation introduced by the words "otherwise *intra vires*" appears to the Minister to exclude the possibility that the other Dominions would be placed in the same relation to the Parliament of Canada as to the Parliament of the United Kingdom. It is in relation only to the powers committed to the Parliament of Canada by the British North America Acts, section 91 of the Acts of 1867, or otherwise, that extra-territorial authority can attach. It will be for the judicial tribunals to determine the enacting authority for, as well as to interpret, any legislation for which the power in question may be invoked. Obviously any such enactment must have Canadian locality with respect to the persons affected or the subject matter; thus, for example, Canadian shipping should be subject to local regulation not conflicting with the provisions of the Imperial Merchant Shipping Acts; it should be possible to extend local criminal enactments against offences committed abroad by Canadians, as in the case of Canadians who commit bigamy in foreign countries and return to Canada; the regulation of the Customs and Air Services also produces occasion for the exercise of extra-territorial power; but it is impossible to foresee or to enumerate all the conditions under which the authority might with propriety be usefully exercised. The Parliament of Canada has within its prescribed limits authority as plenary and ample as the Imperial Parliament in the plenitude of its power possesses and can bestow, and it is in the Minister's opinion desirable to set at rest by Imperial sanction any doubts which might otherwise exist as to the operation extra-territorially of the legislation of the Parliament of Canada within those limits, whether as to person or subject matter. The other Dominions, it is submitted, cannot be thereby possibly affected as the exercise of legislative powers with relation to them is not incident to any of the powers possessed by the Parliament of Canada.

I am at the same time to transmit herewith an Address* to His Excellency from the Senate and House of Commons of Canada, forwarding a Joint Address† of the two Houses to His Majesty the King, praying that steps may be taken to amend the British North America Act, 1867, so as to cause any enactment of the Parliament of Canada otherwise within the legislative authority of the Parliament to operate and to be deemed to have operated extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom, and I am to request that His Excellency may be humbly moved to communicate the substance of what is above set forth to the Secretary of State for the Colonies, at the same time forwarding the Address to the King in order that it may be submitted to His Majesty.

I have, &c.,

W. H. WALKER.

Acting Under-Secretary of State for External Affairs.

* Not printed.

† Enclosure in No. 30.

46701

No. 30.

102

THE DEPUTY GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 21st September, 1920.)

[Answered by No. 38.]

(No. 569.)

MY LORD,

Government House, Ottawa, 8th September, 1920.

I HAVE the honour to forward, herewith, in order that it may be humbly submitted to His Majesty The King, an Address,* in English and French, from the Senate and the House of Commons of the Dominion of Canada praying that His Majesty may be graciously pleased to give his consent to submit a measure to the Imperial Parliament to amend the British North America Act, 1867.

I have, &c.,

L. H. DAVIES,
Deputy Governor-General.

Enclosure in No. 30.

To

THE KING'S MOST EXCELLENT MAJESTY.

Most Gracious Sovereign:

WE, Your Majesty's most dutiful and loyal subjects the Senate and Commons of Canada, in Parliament assembled, humbly approach Your Majesty praying that you may graciously be pleased to give your consent to submit a measure to the Parliament of the United Kingdom, to amend the British North America Act, 1867, in the manner following, or to the following effect:

"AN ACT TO AMEND THE BRITISH NORTH AMERICA ACT, 1867."

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords spiritual and temporal, and Commons, in this present Parliament assembled and by the authority of the same as follows:—

1. Section ninety-one of the British North America Act, 1867, is hereby amended by adding thereto the following sub-section:

"2. Any enactment of the Parliament of Canada otherwise within the legislative authority of the Parliament shall operate and be deemed to have operated extra-territorially according to its intention in the like manner and to the same extent as if enacted by the Parliament of the United Kingdom."

All of which we humbly pray Your Majesty to take into your favourable and gracious consideration.

EDGAR N. RHODES.

Speaker of the House of Commons.

JOSEPH BOLDUC,

Speaker of the Senate.

Thursday, 24th June, 1920.

50133

No. 31.

INDIA OFFICE to COLONIAL OFFICE.

[Copy sent to Air Ministry, Board of Trade, Admiralty, Home Office, War Office, Foreign Office, 3rd February, 1921. L.F.]

[Answered by Nos. 32 and 37.]

SIR,

India Office, Whitehall, London, S.W.1, 11th October, 1920.

I AM directed by the Secretary of State for India to invite a reference to the letter addressed by the Air Ministry to the Colonial Office in June last,† stating that it appears to the Air Council that it will be necessary for the Dominions and

* The English version only is printed. † No. 20.

India, in order to carry out their obligations under the International Air Navigation Convention, to pass legislation applying extra-territorially to aircraft carrying their nationality mark wherever such aircraft may be. Copy of that letter, which has been communicated to this department, is enclosed for ease of reference.

Mr. Secretary Montagu is advised that it would appear to be necessary to obtain further power from Parliament to enable legislation to be undertaken in India with the required extra-territorial effect. He would be glad to be informed whether the Dominion Parliaments under their existing powers are able to legislate with the necessary extra-territorial effect and, if not, whether it is proposed to introduce Imperial legislation with a view to enlarging their existing powers.

I have, &c.,

J. E. FERARD.

50133

No. 32.

COLONIAL OFFICE to INDIA OFFICE.

[Copy sent to Air Ministry, Board of Trade, Admiralty, Home Office, War Office, Foreign Office, 3rd February, 1921. L.F.F.]

SIR, Downing Street, 28th October, 1920.
I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 11th October,* relative to the power of the Dominion Parliaments to pass the necessary extra-territorial legislation for giving effect to the obligations of the Dominions under the International Air Convention, and to state that the matter is being considered in consultation with the Law Officers of the Crown in connexion with the general question referred to in the letter from the Air Ministry,† of which a copy was enclosed in your letter.

I am, etc.,

HENRY LAMBERT.

45826

No. 33.

COLONIAL OFFICE to ADMIRALTY, HOME OFFICE, WAR OFFICE,
BOARD OF TRADE, and AIR MINISTRY.

SIR, Downing Street, 2nd November, 1920.
WITH reference to your letter of the [To Admiralty: 19th August,‡] [To Home Office: 6th August,§] [To War Office: 20th July,||] [To Board of Trade: 28th June,¶] [To Air Ministry: 23rd June,†] relative to the proposal that the British North America Act should be amended so as to confer powers of extra-territorial legislation on the Parliament of Canada, I am directed by Viscount Milner to transmit to you, for the information of [the Lords Commissioners of the Admiralty,] [Mr. Secretary Shortt,] [the Army Council,] [the Board of Trade,] [the Air Council,] copies of a report†† by the Law Officers of the Crown on the subject, together with copies of further despatches that have been received from the Governor-General,‡‡ copies of the replies§§ received from the other Departments consulted, and subsequent correspondence with the Foreign Office,||| and copies of the Debates in the Canadian Parliament.¶¶

2. A copy of a further reference *** which is being made to the Law Officers is also enclosed.

I am, &c.,

HENRY LAMBERT.

* No. 31. † No. 20. ‡ No. 27. § No. 25. || No. 24. ¶ No. 23. †† Enclosure in No. 26. ‡‡ Nos. 29 and 30. §§ Nos. 20, 23, 24, 25, and 27. ||| Nos. 19, 26 and 28. ¶¶ Nos. 21 and 22. *** See No. 35.

45826

No. 34.

COLONIAL OFFICE to FOREIGN OFFICE.

SIR,

Downing Street, 2nd November, 1920.

WITH reference to your letter of the 20th August,* relative to the proposal that the British North America Act should be amended so as to confer powers of extra-territorial legislation on the Parliament of Canada, I am directed by Viscount Milner to transmit to you, to be laid before Earl Curzon of Kedleston, copies of two further despatches† on the subject which have been received from the Governor-General of Canada, together with copies of the replies‡ received from the other Departments consulted, and copies of the Debates in the Canadian Parliament.§

2. A copy of a further reference|| which is being made to the Law Officers of the Crown is also enclosed.

I am, &c.,

HENRY LAMBERT.

45826

No. 35.

COLONIAL OFFICE to LAW OFFICERS, AND LAW OFFICERS' REPORT.

GENTLEMEN,

Downing Street, 2nd November, 1920.

I AM directed by Viscount Milner to acknowledge the receipt of your Report of the 13th July‡ relative to the proposal that the British North America Act should be amended so as to confer powers to legislate extra-territorially on the Parliament of Canada.

2. I am now to transmit to you the following further papers:—

- (a) Copy of a despatch from the Governor-General of Canada transmitting the Address of both Houses of the Parliament of Canada, praying the King to submit a measure to Parliament for the purpose in question.
- (b) Copy of a further despatch from the Governor-General enclosing a letter from the Department of External Affairs explaining, in reply to Lord Milner's telegram of the 6th May, the nature of the proposed amendment as viewed by the Canadian Government.
- (c) The Debates on the Address which took place in the House of Commons of Canada on the 24th June and in the Senate on 26th June.
- (d) Letters containing the observations of the Foreign Office, Air Ministry, Board of Trade, War Office, Home Office and Admiralty on the proposed amendment of the British North America Act, together with copies of subsequent correspondence with the Foreign Office.

3. Lord Milner would be obliged if you would favour him with any further observations which you may have to offer after considering these papers.

I am, &c.,

HENRY LAMBERT.

SCHEDULE OF ENCLOSURES.

- (1) Governor-General of Canada, No. 569, 8th September, 1920. (No. 30.)
- (2) Governor-General of Canada, Secret, 1st September, 1920. (No. 29.)
- (3) Extract from Debates in Canadian House of Commons, 24th June, 1920. (No. 21.)
- (4) Extract from Debates in Canadian Senate, 26th June, 1920. (No. 22.)
- (5) Foreign Office, 10th June, 1920. (No. 19.)
- (6) To Foreign Office, 13th August, 1920. (No. 26.)
- (7) Foreign Office, 20th August, 1920. (No. 28.)
- (8) Air Ministry, 23rd June, 1920. (No. 20.)
- (9) Board of Trade, 28th June, 1920. (No. 23.)
- (10) War Office, 20th July, 1920. (No. 24.)
- (11) Home Office, 6th August, 1920. (No. 25.)
- (12) Admiralty, 19th August, 1920. (No. 27.)

* No. 28. † Nos. 29 and 30. ‡ Nos. 20, 23, 24, 25, and 27. § Nos. 21 and 22. || See No. 35. ¶ Enclosure in No. 26.

55619

REPORT.

We have taken the matter into our consideration and in obedience to Your Lordship's commands have the honour to report:

That in our opinion the further papers do not call for any observation by us. These papers do not appear to afford reason for any modification of the views expressed in our Report of the 13th July, 1920.*

GORDON HEWART,
ERNEST M. POLLOCK.

Law Officers' Department,
10th November, 1920.

55619

No. 36.

COLONIAL OFFICE to LAW OFFICERS, AND LAW OFFICERS' REPORT.

GENTLEMEN,

Downing Street, 20th December, 1920.

I AM directed by Viscount Milner to acknowledge the receipt of your further Report of the 10th November† relative to the proposal that the British North America Act should be amended so as to confer powers to legislate extra-territorially on the Parliament of Canada.

2. The origin of the proposal is the adoption by the Canadian Government of the view that such legislation is required to enable the Dominion to control effectively the proceedings of Canadian aircraft outside Canada. The question whether immediate legislation of the character proposed is required from this standpoint would seem to be affected by two points:—

(i) Whether or not, if Canada becomes a party to the International Air Convention, the powers conferred by Section 132 of the British North America Act can be regarded as such as to enable the Canadian Parliament to deal with offences against the Convention even if committed outside the limits of the Dominion. The Section, which seems to be couched in very wide terms, runs as follows:—

"The Parliament and Government of Canada shall have all powers necessary or proper for performing the obligations of Canada or of any Province thereof, as part of the British Empire, towards Foreign Countries arising under Treaties between the Empire and such Foreign Countries."

(ii) Whether, apart from any question of Treaty obligation, the necessary powers for dealing with Canadian offenders against the Canadian laws relating to aviation found within the Canadian jurisdiction, even if the offences have been committed outside Canada could not be secured by a Canadian law making it an offence to re-enter Canada having committed such an offence, in accordance with the principle of the judgment of the Judicial Committee of the Privy Council in *Peninsular and Oriental Navigation Company v. Kingston, A.C., 1903, page 471.*

3. Lord Milner would be obliged if you would be so good as to take the above points into your consideration and favour him with your observations thereon.

I am, &c.,

G. GRINDLE.

63427

REPORT.

[Copy sent to Air Ministry, Board of Trade, Admiralty, Home Office, War Office, Foreign Office, 3rd February, 1921. L.F.]

We have taken the matter into our consideration and in obedience to Your Lordship's commands have the honour to report that in our opinion:—

(i) The powers conferred by Section 132 of the British North America Act are sufficient to enable the Canadian Parliament, if Canada becomes

* Enclosure in No. 26.

† See No. 35.

a party to the International Air Convention, to deal with offences against the Convention by Canadian airmen, even though the offences are committed outside the limits of the Dominion.

(ii) Yes.

GORDON HEWART,
ERNEST M. POLLOCK.

Law Officers' Department,
24th December, 1920.

63427

No. 37.

COLONIAL OFFICE to INDIA OFFICE.

[Copy sent to Air Ministry, Board of Trade, Admiralty, Home Office, War Office, Foreign Office, 3rd February, 1921. L.F.]

[Answered by No. 41.]

SIR,

Downing Street, 21st January, 1921.

WITH further reference to your letter of the 11th October last,* I am directed by Viscount Milner to state that the Law Officers of the Crown have advised

(a) That the powers conferred by section 132 of the British North America Act, 1867, relative to the performance of the Treaty obligations of Canada, are sufficient to enable the Canadian Parliament, if Canada becomes a party to the International Air Convention, to deal with offences against the Convention by Canadian airmen even though the offences are committed outside the limits of the Dominion, and

(b) That apart from any question of Treaty obligations the necessary powers for dealing with Canadian offenders against the Canadian laws relating to aviation found within the Canadian jurisdiction, even if the offences have been committed outside Canada, could be secured by a Canadian law making it an offence to re-enter Canada having committed such an offence, in accordance with the principle of the judgment of the Judicial Committee of the Privy Council in *P. & O. Navigation Company v. Kingston, A.C., 1903, page 471.*

I am, &c.,

HENRY LAMBERT.

63427

No. 38.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy sent to Air Ministry, Board of Trade, Admiralty, Home Office, War Office, Foreign Office, 3rd February, 1921. L.F.]

(No. 47.)

MY LORD DUKE,

Downing Street, 21st January, 1921.

I HAVE the honour to acknowledge the receipt of Your Excellency's despatch No. 569, of the 8th September,† forwarding an Address to the King from the Senate and House of Commons of Canada praying that His Majesty may be graciously pleased to give his consent to submit a measure to the Parliament of the United Kingdom for the amendment of the British North America Act, 1867, in the manner or to the effect therein set forth.

2. The Address has been duly laid before the King, and I am communicating with you with regard to the proposed measure in a separate despatch.

I have, &c.,

MILNER.

* No. 31.

† No. 30.

63427

No. 39.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy sent to Air Ministry, Board of Trade, Admiralty, Home Office, War Office,
Foreign Office, 3rd February, 1921. L.F.]

[Answered by No. 43.]

(Secret.)

MY LORD DUKE,

Downing Street, 21st January, 1921.

I HAVE the honour to acknowledge the receipt of Your Excellency's Secret despatch of the 1st September,* enclosing a copy of a letter from the Department of External Affairs setting forth the views of the Minister of Justice on the points raised in my telegram of the 6th May† with regard to the proposed amendment of the British North America Act respecting extra-territorial legislation.

2. The explanations of the proposed measure given in the letter enclosed in your despatch, and in the speeches on the subject delivered in the Canadian Parliament by the Minister of Justice and Sir James Loughheed, on the 24th and 26th June,‡ respectively, show that the powers which it is desired to secure by the proposed measure are of a much more limited character than had been supposed when I sent my telegram of the 6th May. His Majesty's Government still, however, feel great difficulty with regard to the form of the proposed measure, and have some doubt whether an amendment of the Act is really necessary to secure the purposes which your Ministers have in view.

3. The origin of the proposal is the adoption by the Canadian Government of the view that such legislation is required to make it clear that the Canadian Parliament has power to control effectively the proceedings of Canadian airmen and aircraft outside Canada. His Majesty's Government would regret if the prolongation of the discussion of the proposed measure should cause the Canadian Government any inconvenience in this respect, but they are advised by the Law Officers of the Crown that the powers conferred by section 132 of the British North America Act, 1867, relative to the performance of the Treaty obligations of Canada, are sufficient to enable the Canadian Parliament, if Canada becomes a party to the International Air Convention, to deal with offences against the Convention by Canadian airmen, even though the offences are committed outside the limits of the Dominion.

4. Apart from the specific powers conferred by section 132 of the British North America Act, it would appear that even where there is no question of Treaty obligations, the necessary powers could be secured for dealing with Canadian offenders against Canadian laws (e.g., those relating to aviation) who are found within the Canadian jurisdiction, even if the offences have been committed outside Canada. His Majesty's Government are advised that it is open to the Canadian Parliament, in accordance with the principle of the judgment of the Judicial Committee of the Privy Council in *P. & O. Navigation Company v. Kingston, A.C.*, 1903, page 471, to confer the necessary jurisdiction on the Canadian Courts by passing a law making it an offence to re-enter Canada having committed such an offence.

I have, &c.,

MILNER.

63427

No. 40.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy sent to Air Ministry, Admiralty, Board of Trade, Home Office, War Office,
Foreign Office, 3rd February, 1921. L.F.]

(Separate.)

MY LORD DUKE,

Downing Street, 27th January, 1921.

I HAVE the honour to inform Your Excellency that my Secret despatch of the 21st instant§ relative to extra-territorial jurisdiction has been marked "Secret" because your despatch* on the subject to which it replies was so marked. I have no objection to my despatch and my telegram of the 6th May† being treated as of a non-secret character if your Ministers so desire.

I have, &c.,

MILNER.

* No. 29.

† No. 17.

‡ See Nos. 21 and 22.

§ No. 39.

5405

No. 41.

INDIA OFFICE to COLONIAL OFFICE.

[Copy sent to Air Ministry, 14th February, 1921. L.F.]

[Answered by No. 42.]

SIR,

India Office, Whitehall, London, S.W.1., 2nd February, 1921.

I AM directed by the Secretary of State for India to acknowledge receipt of Sir Henry Lambert's letter of 21st January, 1921,* regarding the advice given by the Law Officers of the Crown as to the competence of the Canadian Parliament to deal with offences against the Air Convention.

I am to inquire whether the Secretary of State for the Colonies is advised that the Parliaments of the other Dominions already possess all the powers necessary to carry out their obligations under the Convention, and whether it is proposed to introduce any Imperial legislation extending the powers of the Dominion Legislatures. In the latter event Mr. Montagu would desire to consider the question of introducing simultaneous legislation in Parliament with a view to enabling the Indian Legislature to enact measures having the extra-territorial effect required by the Convention.

I have, &c.,

J. E. FERARD.

5406

No. 42.

COLONIAL OFFICE to INDIA OFFICE.

[Copy sent to Air Ministry, 14th February, 1921. L.F.]

[Answered by No. 45.]

SIR,

Downing Street, 11th February, 1921.

WITH reference to your letter of the 2nd of February† relative to the competence of the Dominion Parliaments to deal with offences against the Air Convention, I am directed by the Secretary of State to request you to inform Mr. Secretary Montagu that there has been no indication that any of the Dominions other than Canada considers that its Parliament has not already all the powers necessary to carry out its obligations under the Convention.

2. It would, in fact, appear from the second ruling of the Law Officers of the Crown (which, though given with special reference to Canada, applies generally), that Imperial legislation is not required to confer on the local Courts the jurisdiction necessary to enable them to deal with offences against the local law committed outside the territorial limits.

3. Consequently, it is not proposed to introduce into the Imperial Parliament any legislation on the subject.

I am, &c.,

HENRY LAMBERT.

12909

No. 43.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 16th March, 1921.)

[Copy sent to Air Ministry, War Office, Admiralty, Board of Trade, Home Office,
Foreign Office, 9th May, 1921. L.F.]

[Answered by No. 47.]

(Secret.)

SIR,

Government House, Ottawa, 2nd March, 1921.

WITH reference to Lord Milner's Secret despatch of the 21st January,‡ on the subject of the proposed amendment of the British North America Act respecting

* No. 37.

† No. 41.

‡ No. 39.

extra-territorial legislation, I have the honour to transmit, herewith, a copy of a letter from the Department of the Secretary of State for External Affairs setting forth the views of my responsible advisers.

I have, &c.,
DEVONSHIRE.

Enclosure in No. 43.

DEPARTMENT OF EXTERNAL AFFAIRS TO GOVERNOR-GENERAL'S SECRETARY.

(Secret.)

SIR,

Ottawa, 1st March, 1921.

WITH reference to the Secret despatch to His Excellency from the Secretary of State for the Colonies, dated 21st January, 1921, on the subject of the proposed amendment of the British North America Act respecting extra-territorial legislation, I have the honour to state that the suggestions contained in the third and fourth paragraphs of Lord Milner's despatch have been carefully considered by the Minister of Justice, and he regrets that in his opinion they do not meet the case.

He points out that section 132 of the British North America Act, 1867, provides that the Parliament of Canada shall have all powers necessary or proper for performing the obligations of Canada, or of any Province thereof, as part of the British Empire, towards foreign countries arising under treaties between the Empire and such foreign countries. This provision is unnecessary, so far as concerns powers within the purview of section 91, and therefore he apprehends that its purpose was to confer upon the Dominion the limited powers which it describes in so far as these might require to be exercised with regard to the classes of subjects enumerated by section 92, which otherwise rest exclusively with the Province; it being intended, as is obviously most convenient, that for the performance of treaty obligations there should be no distribution of powers as between the Dominion and the Provinces, and that the power of the Dominion should be comprehensive. Section 132 therefore operates only in derogation from the exclusive authority of the Provinces, and presumably is effective only with respect to such powers as are strictly necessary or proper for performing obligations contracted by treaty. The purpose which it serves is thus closely limited; there may be many provisions which the Parliament of Canada would consider advisable, either with respect to regulation of the Air Force or otherwise, for which no treaty undertaking exists, and for the sanction of which there is, in consequence, no international obligation.

In the case of *Peninsular and Oriental Navigation Company vs. Kingston*, 1903, A.C., 471, to which the Secretary of State for the Colonies refers, the Judicial Committee of the Privy Council had under consideration a provision of the Customs Act of Australia that the seals upon ships' stores arriving in any port from parts beyond the seas and bound to any other port within the Commonwealth should not be broken except by authority, and that the master of any ship entering port with the seals broken should be liable to a penalty. It was pointed out by Their Lordships that the legislation proceeded upon precisely the same lines as section 135 of the Imperial Customs Consolidation Act, 1876, under which if a foreign ship were to take goods so sealed from one bonded warehouse in the United Kingdom to another, going in the course of her voyage outside of the territorial limits of the United Kingdom, the very same question might arise, and that upon her arrival at any other port in the United Kingdom the master would undoubtedly be liable to the penalties prescribed by that section. There is therefore nothing in this case founded upon any distinction between the legislative powers of the United Kingdom and those of the Dominions. In fact it seems to be implied by the decision that the powers in either case are the same. The *Peninsular and Oriental Navigation Company's* case merely affords an illustration, and probably it is cited for no other purpose than to show that it is possible by apt legislative expression to impose penalties for entering a territorial jurisdiction after having committed beyond that jurisdiction an act which the legislature to the extent of its powers has prohibited. Doubtless that is a method or expedient of legislation available either to the United Kingdom or to the Dominions, but the Dominion of Canada desires to be limited to that form of legislation no more than the United Kingdom is, and there may be circumstances in which it would not afford an adequate remedy.

The object of the request formulated by the Order in Council of 5th February, 1920, was to obtain, for the avoidance of doubt, a competent declaration of the

equality of Dominion legislative powers for purposes of local government with those which the Parliament of the United Kingdom possesses for its local government. In either case, it may be requisite that the legislature should impose, with adequate sanction, duties upon its nationals to be observed beyond territorial limits. There can, it is submitted, be no question about the legal effect of such legislation as proceeding from His Majesty's Parliament at Westminster; it is desirable that the authority of the Dominion Parliament in relation to its nationals, wherever they may be, should be equally clear, and in the absence of any acceptable suggestion for the improvement of the form of enactment proposed to effect this purpose the Minister adheres to that which is outlined by the penultimate paragraph of the aforesaid Order in Council.

I am to request that His Excellency may be humbly moved to communicate the views, as above set forth, to Mr. Secretary Churchill.

I have, &c.,
W. H. WALKER,
Acting Under-Secretary of State
for External Affairs.

12909

No. 44.

COLONIAL OFFICE to LAW OFFICERS, AND LAW OFFICERS' REPORT.

[Copy sent to Air Ministry, War Office, Admiralty, Board of Trade, Home Office, and Foreign Office, 9th May, 1921. L.F.]

GENTLEMEN,

Downing Street, 5th May, 1921.

WITH reference to your Report of the 24th December last* relative to the proposed amendment of the British North America Act respecting extra-territorial legislation, I am directed by Mr. Secretary Churchill to transmit to you a copy of a despatch† on the subject addressed by Viscount Milner to the Governor-General of Canada on the 21st January, together with a copy of a despatch‡ in reply which has been received from the Governor-General.

2. It will be seen that the Canadian Government do not share the view that in matters relating to the enforcement of the Treaty obligations of Canada, the desired powers are already conferred by Section 132 of the British North America Act, and that they also regard as undesirable and inadequate the expedient of proceeding in accordance with the principle of the Judgment of the Judicial Committee of the Privy Council in *P. & O. Navigation Company v. Kingston*. Further they state that, in the absence of any acceptable suggestion for the improvement of the form of enactment, they adhere to that originally proposed.

3. In these circumstances Mr. Churchill would be obliged if after taking into consideration the papers accompanying this letter and those forwarded with the previous references you could either suggest another formula for submission to the Canadian Government or state for communication to the Canadian Government precisely what the objections are to the formula originally proposed.

4. In connexion with the allusions to "nationals" in the penultimate paragraph of the letter accompanying the Governor-General's despatch of the 2nd March,‡ I am to transmit to you a copy of a Bill "to define Canadian Nationals" introduced into the House of Commons of Canada by the Minister of Justice on the 1st March, 1921, together with the Debates§ on the Bill so far as received (viz., 1st March, pp. 421-2; 4th March, p. 616; 8th March, pp. 679-684; 10th March, pp. 805-826), and a pamphlet containing the Immigration Act. As regards Clause 1 (a) of the Bill I am to refer to Section 2 sub-sections (d) and (f) of the Immigration Act (pp. 8 and 9 of the pamphlet||). You will observe that in the Second Reading Debate on the 8th March (Hansard, p. 680) Mr. Doherty remarked:—"Should the legislation which this House asked last year to have passed by the British Parliament clearing up any doubt as to the extra-territorial effect of our legislation be enacted, as I have every reason to believe it will be, it will then be important to have a clear cut definition of who are the people who may be affected by that legislation."

I am, &c.,
HENRY LAMBERT.

* See No. 36. † No. 39. ‡ No. 43. § See Enclosure in No. 49. || Not printed here.

27137

REPORT.

[Copy sent to Air Ministry, War Office, Admiralty, Board of Trade, Home Office, and Foreign Office, 25th July, 1921. L.F.]

We have taken the matter into our consideration and in obedience to your commands have the honour to report

THAT we cannot suggest any other formula which would at the same time satisfy the desires of the Canadian Government and be free from objection on constitutional grounds. It appears from paragraph 3 of the letter of the 1st March, 1921, from the Department of the Secretary of State for External Affairs that the Dominion of Canada desires the same powers of extra-territorial legislation as are possessed by the Imperial Parliament, and the objections to the formula originally proposed are those indicated in the Law Officers' Report of 13th July, 1920,* namely, that if this formula were construed as giving the Canadian Parliament the power of extra-territorial legislation generally with regard to all the matters mentioned in Section 91 of the British North America Act, provided only that the legislation could be said to concern the peace, order and good government of Canada, it would reverse the fundamental rule that Colonial legislation must *prima facie* relate exclusively to the Colony, and might possibly and even probably lead to a serious conflict of laws as between the various self-governing Dominions if the other Dominions were placed on the same footing in this respect as that upon which Canada desires to be placed.

GORDON HEWART.
ERNEST M. POLLOCK.

Law Officers' Department,
31st May, 1921.

35412

No. 45.

INDIA OFFICE to COLONIAL OFFICE.

SIR,

India Office, 16th July, 1921.

I AM directed by the Secretary of State for India in Council to transmit to you, for the information of the Secretary of State for the Colonies, copy of a letter to the Air Ministry, on the question of the powers of the Indian Legislature to legislate with extra-territorial effect in connexion with the obligations imposed by the Air Convention.

I am, &c.,
F. W. DUKE.

Reference to previous correspondence: Letter to the India Office of the 11th February, 1921.† (No. 27.)

Enclosure in No. 45.

SIR,

India Office, 16th July, 1921.

WITH reference to correspondence ending with your letter of 12th February, 1921, and the letter from this Office of 17th February, I am directed by the Secretary of State for India to inform you that, after consultation with the Government of India, it is not proposed to introduce legislation in the Imperial Parliament at present for the purpose of enlarging the powers of the Indian Legislature to legislate with extra-territorial effect.

I am, &c.,
L. J. KERSHAW,
Secretary,

Industries and Overseas Department.

The Secretary.

Air Ministry.

Kingsway, W.C.2.

* Enclosure in No. 26. † No. 42.

27137

No. 46.

COLONIAL OFFICE to LAW OFFICERS, AND LAW OFFICERS' REPORT.

[Copy sent to Air Ministry, War Office, Admiralty, Board of Trade, Home Office, and Foreign Office, 25th July, 1921. L.F.]

GENTLEMEN,

Downing Street, 22nd July, 1921.

I AM directed by Mr. Secretary Churchill to acknowledge the receipt of your Report of the 31st May* relative to the proposed amendment of the British North America Act, respecting extra-territorial jurisdiction.

2. Mr. Churchill notes that you are unable to suggest any formula which would at the same time satisfy the desires of the Canadian Government and be free from objection on constitutional grounds. It would not, however, in his opinion, be desirable to object to the formula proposed by the Canadian Government on the constitutional ground that it would reverse the fundamental rule that Colonial legislation must *prima facie* relate exclusively to the Colony. Having regard to the present status of the Dominions, he feels that it can hardly be expected that the Canadian Government should be content that the Canadian Parliament should remain subject to the limitations of a Colonial legislature.

3. He does not himself see any difficulty in principle to complying with the wishes of the Canadian Government as explained in the despatch from the Governor-General of the 1st September, 1920, and in the Debates in the Canadian Parliament enclosed in the Reference of the 2nd November, 1920,† especially in view of the statement contained in the despatch of the 1st September, 1920, as to the intention of the words "otherwise within the legislative authority of the Parliament."

4. Doubts were expressed in regard to the formula proposed by the Canadian Government by certain Departments of His Majesty's Government in the letters forwarded in the Reference of the 2nd November, 1920, but those letters were written before the subsequent explanations of the Canadian Government were communicated to those Departments.

5. Mr. Churchill would, in any event, be reluctant to refuse a request put forward by the Canadian Government with the endorsement of the Canadian Parliament. He would, therefore, be glad to be in a position to inform them that His Majesty's Government will introduce legislation on the lines desired, and if the formula proposed by the Canadian Government does not go beyond the wishes and intentions explained in the despatch of the 1st September, 1920, and in the debates in the Canadian Parliament, he does not himself see any reason why such intimation should not be made.

6. In these circumstances he would be glad if you would advise him whether the proposed formula goes beyond the expressed wishes and intentions of the Canadian Government. Should the answer to this question be in the affirmative, and should you still find it impossible to suggest another formula for giving effect to those wishes and intentions, he thinks that it will be necessary to furnish the Canadian Government with a detailed statement of the difficulties to which the proposed formula, as a means of carrying out their wishes and intentions, gives rise, and he would be obliged if you could assist him in this respect.

I am, &c.,
HENRY LAMBERT.

39200

REPORT.

[Copy sent to Air Ministry, War Office, Admiralty, Board of Trade, Home Office, and Foreign Office, 29th August, 1921. L.F.]

The proposed formula does, in our opinion, go beyond the expressed wishes and intentions of the Canadian Government, particularly in view of the doubt as to what would be held to be the effect of the words "otherwise within the legislative authority of the Parliament." We have already expressed our opinion as to these words in our Report dated the 13th July, 1920.‡

* See No. 44. † No. 35. ‡ Enclosure in No. 26.

We have again considered the question of suggesting an alternative formula, and beg to report that an Act of the Imperial Parliament might be passed to amend the British North America Act, 1867, in terms which would, in our opinion, give effect to the expressed intention of the Canadian Government, as explained by Mr. Doherty and Mr. Newcomb, without being open to objection on constitutional grounds.

We are of opinion that the Address of both Houses of Parliament of Canada may be accepted with the substitution of the following for Clause 2 of the proposed Act, namely:—

"2. An enactment of the Parliament of Canada may operate extra-territorially, provided that, and in so far as, such extra-territorial operation is ancillary to, and necessary for, its enforcement as a law for the peace, order and good government of Canada."

GORDON HEWART.
ERNEST M. POLLOCK.

Law Officers' Department,
5th August, 1921.

39200

No. 47.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy sent to Air Ministry, War Office, Admiralty, Board of Trade, Home Office, Foreign Office, 29th August, 1921. L.F.]

(Secret.)

MY LORD,

Downing Street, 18th August, 1921.

I HAVE the honour to acknowledge the receipt of the Duke of Devonshire's Secret despatch, of the 2nd March,* forwarding a letter from the Department of the Secretary of State for External Affairs relative to the proposed amendment of the British North America Act respecting extra-territorial legislation.

2. At the end of this letter it is stated that the Minister of Justice adheres to the form of enactment originally proposed in the absence of any acceptable suggestion for its improvement. I have accordingly been in communication with the Law Officers of the Crown with a view to the possibility of submitting an alternative form of enactment to Your Excellency's Government. They have given their careful consideration to the matter, which involves not a few intricate and delicate problems, and they now advise that in their opinion the substitution of the following form of enactment for that originally proposed, namely:—

"2. An enactment of the Parliament of Canada may operate extra-territorially, provided that, and in so far as, such extra-territorial operation is ancillary to, and necessary for, its enforcement as a law for the peace, order, and good government of Canada."

would remove the difficulties hitherto felt by His Majesty's Government in the matter while giving effect to the intention of your Government as explained by the Minister of Justice in the debate in the House of Commons of Canada on the 24th June, 1920,† and in the letter from the Department of the Secretary of State for External Affairs which accompanied the Duke of Devonshire's despatch of 1st September, 1920.‡

3. I shall be glad to learn whether the suggested alternative form of enactment would be acceptable to your Ministers.

I have, &c.,

WINSTON S. CHURCHILL.

* No. 43.

† See No. 21.

‡ No. 29.

VIII.

CANADIAN NATIONALS ACT, 1921.

979

No. 48.

COLONIAL OFFICE to FOREIGN OFFICE AND HOME OFFICE.

[Answered by Nos. 50 and 51.]

SIR,

Downing Street, 12th May, 1921.

I AM directed by Mr. Secretary Churchill to transmit to you, to be laid before [Earl Curzon of Kedleston,] [Mr. Secretary Shortt,] a print* containing the text of a Bill to define Canadian nationals introduced into the Canadian House of Commons, on the 1st March, and the Debates thereon, which took place on the 1st, 4th, 8th, and 10th March. After some further discussion in Committee, on 13th April, the Bill was read a third time, on the 15th April. In connexion with clause 1 (a) of the Bill, I am to enclose a pamphlet† containing the Canadian Immigration Act and to invite attention to section 2, sub-sections (d) and (f) of the Act (pages 8 and 9 of the pamphlet).

2. It will be observed from the letter from this Department, of the 9th May,‡ that copies of the Bill, the Debates, and the Immigration Act have been transmitted to the Law Officers of the Crown in connexion with the further despatch§ recently received from the Governor-General of Canada regarding the proposed amendment of the British North America Act respecting extra-territorial jurisdiction which formed the subject of your [letters of the 10th June and of the 20th August.¶] [letter of the 6th August.¶]

3. Mr. Churchill will be glad to be favoured with [Lord Curzon's] [Mr. Shortt's] observations on the Bill.

4. [To Foreign Office only: It will be observed from the Debates that the Bill has been introduced with reference not only to the proposed amendment of the British North America Act, but also to the position of Canada as a Member of the League of Nations, in particular as a party to the Permanent Statute of the International Court of Justice. In the latter connexion, it will be seen that on the 10th March (page 16 of the prints**) Mr. Doherty made a statement as to the position of the "British Empire" as a member of the League.

5. Attention has been called in the letter from this Department, of the 7th May,†† to the bearing of the Bill on the question of the position under Commercial Treaties conferring rights on British subjects generally of British subjects connected with parts of the Empire to which such Treaties do not apply, a question which has again come up in consequence of the recent decision of the Supreme Court of the United States to the effect that in consequence of the non-adherence of Canada to the Real and Personal Property Convention with United States a British subject resident in Canada is not entitled to the benefits conferred by that Convention on British subjects generally. It may also have some bearing, in view of the position of the Dominions as "States" under the Air Convention (vide Article XL) on the question whether "nationals" of one of the British "States" can own aircraft registered in another British "State" (vide Article VII).

6. The Bill would also appear to bear on the question of the classes of British subjects in the United States whose interests would be looked after by the Canadian Minister, at Washington, when appointed.]

I am, &c.,

HENRY LAMBERT.

23488

No. 49.

COLONIAL OFFICE to FOREIGN OFFICE AND HOME OFFICE.

[Answered by No. 51.]

SIR,

Downing Street, 21st May, 1921.

WITH reference to the letter from this Department of the 12th May†† relative to the Bill defining Canadian nationals, I am directed by Mr. Secretary Churchill to transmit to you, to be laid before [Earl Curzon of Kedleston,] [Mr. Secretary Shortt,] a revise of the print previously forwarded which contains the reports of the further proceedings in the Canadian House of Commons on the

* See revised print with No. 49.

† Not printed here.

‡ See No. 44.

§ No. 43.

¶ Nos. 10 and 28.

** No. 25.

†† Page 91 of this volume.

‡‡ No. 261 in Dominions

No. 81.

‡‡ No. 48.

13th and 15th April. The form in which the Bill was passed by the House of Commons on the 15th April included the amendments indicated in the Report for the 13th April. The Bill passed through the Senate without amendment, and was assented to by the Governor-General on the 3rd May. Copies of the Bill in its final form and of the debates in the Senate will be forwarded later.*

I am, &c.,

HENRY LAMBERT.

15979

Enclosure in No. 49.

CANADA.

5TH SESSION, 13TH PARLIAMENT, 11-12 GEORGE V., 1921.

THE HOUSE OF COMMONS OF CANADA

BILL 17.

An Act to define Canadian Nationals.

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Canadian
Nationals
defined.

1. The following persons shall be deemed to be Canadian Nationals, viz.:—

(a) Any British subject who is a Canadian citizen within the meaning of *The Immigration Act*, chapter twenty-seven of the statutes of 1910, as heretofore amended;

(b) The wife of any such citizen;

(c) Any person born out of Canada, whose father was a Canadian National at the time of that person's birth.

Declaration
renouncing
Canadian
nationality

2. (a) Any person who by reason of his having been born in Canada is a Canadian National, but who at his birth or during his minority became under the law of the United Kingdom or of any self-governing Dominion of the British Empire, a national also of that Kingdom or Dominion, and is still such a national, and,

(b) Any person who though born out of Canada is a Canadian national; may, if of full age and not under disability, make a declaration renouncing his Canadian nationality and on making such declaration shall cease to be a Canadian National.

HOUSE OF COMMONS DEBATES. OFFICIAL REPORT—REVISED EDITION.

Tuesday, 1st March, 1921.

CANADIAN NATIONALS DEFINITION ACT.

RIGHT HONOURABLE C. J. DOHERTY (Minister of Justice) moved for leave to introduce Bill No. 17, to define Canadian Nationals. He said: The purpose of the Bill is to define what constitutes a Canadian national. The necessity for such a definition results, in a large measure at all events, from the fact that under different measures adopted in connexion with the carrying out of the operations of the League of Nations, there are provisions made defining certain rights and privileges which may be enjoyed by the nationals of the different members of the League. Under those circumstances it is necessary, I think, that we should make a definition by statute so that the world may know who is, and is recognized as, a Canadian national. The Bill contains one section which defines as being Canadian nationals, British subjects, domiciled or ordinarily resident in Canada.

Motion agreed to and Bill read a first time.

Friday, 4th March, 1921.

CANADIAN NATIONALS DEFINITION ACT.

First Reading.

RIGHT HON. C. J. DOHERTY (Minister of Justice) moved the second reading of Bill number 17 to define Canadian Nationals.

MR. MACKENZIE KING: Will the Minister please explain the purpose of this Bill?

* The Debates annexed to this letter include the Senate Debates and the Bill in its final form. They were sent to the Foreign Office and the Home Office on 10th June.

MR. DOHERTY: I did not contemplate to-day going further than getting the Bill into the committee stage. The purpose of the Bill is to define Canadian Nationals, and it would seem to me that the discussion of the definition might very properly be held in Committee. It seems to me highly probable that I may feel desirous of amending the Bill so as to make more complete the definition that is therein contained. I would suggest to the House that the Bill have its second reading, and when we get into committee stage I would move that the committee rise. We could then deal with the question later.

MR. MCMASTER: On the understanding that we can discuss the principle?

MR. DOHERTY: Yes, there would be no objection to a discussion of the principle in committee.

MR. MACKENZIE KING: I think that one or two members on this side of the House desire to speak on this Bill and possibly to refer more particularly to the principle involved. Under the circumstances I would suggest that the Minister do not press his motion.

MR. DOHERTY: Well, in the event I will not press my motion at the present time. It does seem to me that for the purpose of the discussion of a principle it would be desirable that we should have before us a complete definition. Therefore, there is a desire for discussion upon the motion, I would move the adjournment of the debate.

MR. MACKENZIE KING: I would like to point out to my right hon. friend that we were not expecting to go on with this Bill to-day, and that a good many members are absent.

MR. DOHERTY: I understand that, and I was rather impressed with the idea that that might very probably be the case. I realize that there is room for a very interesting discussion, and I would therefore move that the debate on the motion for second reading be adjourned.

Motion agreed to, and debate adjourned.

Tuesday, 8th March, 1921.

CANADIAN NATIONALS DEFINITION ACT.

Second Reading.

RESUMING debate on the motion of Right Hon. Mr. Doherty for the second reading of Bill No. 17, to define Canadian Nationals, adjourned from 4th March.

RIGHT HON. C. J. DOHERTY (Minister of Justice): As I explained to the House when this matter was up last it is my intention, when we get into committee, to propose amendments to the definition of a Canadian National as set forth in the Bill. As that definition constitutes practically the entire Bill, I quite recognize the importance of the changes which I have in contemplation. I have asked to have the Bill as proposed to be amended printed and circulated, and I believe that has been carried out. I was informed this morning that it had been printed, and last evening I handed to the leader of the Opposition a number of copies of the Bill as proposed to be amended. I trust that under those circumstances there has been opportunity for hon. gentlemen to take communication of the amendments. Upon what may be called the principle of the Bill, it seems to me that very little is called for beyond the explanation which was given at the first reading. What needs to be clearly understood at the outset—I think it is perhaps scarcely necessary for me to mention this, but it is well to avoid any misapprehension—is that the Bill does not contemplate to in any way affect the status or position of any Canadian as a British subject. Notwithstanding its enactment we shall all remain, of course, British subjects; and under the definition as proposed nobody will be a Canadian national who is not a British subject. But the purpose of the Bill is to define a particular class of British subjects who, in addition to having all the rights and all the obligations of British subjects, have particular rights because of the fact that they are Canadians. I think we have always understood that without a specific statutory definition there has for a long time been such a person as a Canadian, and some outstanding indications which justify a man in claiming to be a Canadian. But we have reached a stage now where there are certain specific rights created in favour of Canadians, or, to use the expression in the Bill, of Canadian nationals, as such, and should the legislation which this House last year asked to have passed by the British Parliament clearing up any

doubt as to the extra-territorial effect of our legislation be enacted, as I have every reason to believe it will be, it will then be important to have a clear-cut definition of who are the people who may be affected by that legislation.

I might give an outstanding instance of where we have rights created in favour of Canadian nationals the provisions of the Convention establishing the permanent Court of International Justice. Under those provisions—which I have no doubt will meet with the approval of this House when the Convention is brought down—the judges of that court are to be elected by the representatives of the different members of the League. To secure election, it is essential that a candidate or aspirant should have a majority of the votes both of the Council and of the Assembly. Each country, member of the League, has a right—a right not to be exercised directly by its government, but in the manner which I will point out in a moment—to nominate candidates. Each country proceeding in the manner to which I have referred is entitled to nominate four candidates; not more than two, however, of those candidates can be Nationals of the nominating country. So there we have a case where we need to distinguish between a National and a non-National of the nominating country.

MR. BUREAU: Will the minister allow me a question? He states that a distinction has to be made between a Canadian national and a Canadian citizen. Is it on account of the League of Nations that the word "national" is used?

MR. DOHERTY: We have already a definition of a Canadian citizen in the Immigration Act, but that definition is expressly limited to the Act itself, and we have no definition of a Canadian citizen which can be of general application.

MR. BUREAU: That is not exactly what I had in my mind.

MR. DOHERTY: I know, but I wanted to make that clear. There is a reason for using the word "national" rather than the word "citizen." It is to be found in this, that in the particular convention to which I referred and in the general proceedings of the League the word "national" is used as designating a person, whether subject or citizen, who forms part of the people of a particular member of the League. I am not certain that "national" is perhaps the most desirable word for England, but the word used in the French version of those proceedings by which the word "national" in our Bill should be translated is the word "ressortissant." I think the idea of using that word was to avoid the necessity of making distinctions between people who are subjects or citizens of a country and to get one word that, whatever the national designation, would cover the class of people who constitute the people of that country.

M. BUREAU: Le mot "ressortissant," est-il celui employé dans les procédures officielles de la Société des nations?

MR. DOHERTY: Oui, le mot est celui employé. But perhaps I had better proceed in English. In the official documents this word "ressortissant" is used. You may have to talk of the "subject" of one country and of the "citizen" of another country, but in "ressortissant" you get one word for them all. We passed considerable time with some very distinguished French gentlemen and some equally distinguished English gentlemen, trying to find an English word that would be an exact translation of "ressortissant."

MR. BUREAU: Do they use the word "national" in the English translation?

MR. DOHERTY: Yes, the word "national" is taken as the translation of the word "ressortissant." It seems further desirable that in making the definition we should use the term which is employed in these documents, because, after all, what we want to do, so far as that is a particular reason for this measure, is to have a clear-cut definition of who is the person who, as being a national of Canada, is entitled to these rights.

There is to be found in the convention a further reason for having this clear-cut definition. There is a provision in the convention that if two or more candidates, nationals of the same member of the League, should be elected judges, the question of which of these should be the judge is to be determined—and it is perhaps consoling to those of us who are not as young as we at one time were—in favour of the gentleman who counts the largest number of years to his credit. But it is obviously important that we should be able to establish just who is a Canadian national, so that it may not be suggested that, if another British subject is elected and one of our men is elected, that would be a case of the election of two men who are nationals of the same member of the League. I may say that the convention as originally drafted might have been open to that suggestion, but at the instance of the representatives of Canada, among others, the wording was modified so as to

make it quite clear that this question of one giving way to the other would not arise when there were elected not merely two nationals of the British Empire, but two nationals of the same member of the League. That is another instance in which we have the creation of a right in favour of the Canadian national. The recognition that each member of the League has nationals of its own being once made so clear, it seems to me only a natural thing, even if there were no other reason for it, that this country should take the responsibility of defining who its nationals are, and that is what this Bill proposes to do. As I said at the outset, there is no question of modifying in any way the position and status of us all as British subjects. The purpose of the Bill is only to define a particular class of British subjects—a class who have the peculiar quality of being that kind of British subjects who are nationals of Canada. As to the details, I assume we would deal with them better in committee. But speaking in a general way, if hon. gentlemen will look at the Bill they will see that the provisions defining "Canadian national," in the first place make such a Canadian national every British subject who comes within the definition of a Canadian citizen under the Immigration Act. In addition, a provision is made with regard to certain classes of persons which follows the principles upon which the question of the quality of British subject is determined by the British Nationality Act, which we also have enacted. The definition of "Canadian citizen" in the Immigration Act limits the quality, so far as that quality results from birth, to the person born in Canada. In addition to the person born in Canada this Bill proposes to enact that the son of a Canadian national born while his father is a Canadian national, even though he be born outside of Canada, shall be a Canadian national. All hon. gentlemen will agree that if any one of us found himself in the unfortunate position of being absent from Canada temporarily with his family at a time when a child was born to him, he would want that child to be as full-fledged a Canadian as he is himself.

There is also a provision that the wife of a Canadian national shall be a Canadian national. With regard to persons such as the child in question, whose quality of Canadian national results from the fact of his paternity, though he was born elsewhere, there is a provision analogous to that which is found in the British Nationality Act, conferring upon such a child, if he should be entitled to nationality in any other British dominion, the privilege of renouncing his Canadian nationality. There is no need of providing for what will happen if he is entitled to become and desires to become the subject of some other country, because that is already covered in the British Nationality and Naturalization Act. Of course, if a man ceases to be a British subject he necessarily ceases to be a Canadian national.

MR. EULER: In the case of men who were naturalized while they were minors, because of the fact that their fathers were naturalized, but who under the present Franchise Act have no vote unless they obtain a voting certificate—are they considered Canadian nationals under this Bill, even if they have not that certificate?

MR. DOHERTY: Anybody who is a British subject and who was born in this country or who has domicile in this country as described in the Immigration Act, is a Canadian national. This proposed legislation, of course, has nothing to do with the franchise. I do not know what action may be taken in the future; the franchise may or may not be granted to all Canadian nationals, that depends upon the legislation of this Parliament on the question of the franchise. The Bill does not deal with any particular rights that are to belong to Canadian nationals; it is concerned simply with the making of a definition. The question as to what rights should belong to them or whether there should be differences between different classes, either as to the franchise or as to any other matter, is a thing that would have to be dealt with in separate legislation.

There is also provision for the case where a child is by reason of his birth a Canadian national, but by reason of his parentage or for some other reason, may at the time of his birth or later become entitled to recognition as a national of some other part of the Empire; the same privilege is given to him to make the declaration whereby he would cease to be a Canadian national. Both these classes follow absolutely the principle laid down with regard to the quality of British subject in the Act dealing with British nationality.

MR. EULER: I would like to ask the minister another question.

MR. DOHERTY: Might I suggest that questions will come more regularly and could be better dealt with when we go into committee on the Bill? Of course, I am precluded now from saying anything more on this reading save by way of reply to close the debate.

HON. W. S. FIELDING (Shelburne and Queen's): Mr. Speaker, I regret that, from my point of view, with which all may not agree, this is another step in the wrong direction. When a false step is taken, it leads to another false step, and the first one having been taken, the second, perhaps, becomes unavoidable, and that is possibly the situation to-day. The word "National," as a noun, would be properly and fairly interpreted in the language of international affairs as a citizen of a sovereign State. Hitherto, we have all been glad to be British nationals. Canada is not a sovereign State; I do not want it to become a sovereign State, and I claim the expression "Canadian national" is rather difficult to be understood. This is, however, a step in the wrong direction; I do not expect to correct it, and I am satisfied simply to express my opinion.

HON. JACQUES BUREAU (Three Rivers and St. Maurice): Mr. Speaker, if I understand aright the explanation of the Minister of Justice (Mr. Doherty), this legislation has become necessary in order to define membership in the League of Nations. The word "ressortissant," which has been translated by "national," must mean that a man, although not, as the hon. member for Shelburne and Queen's (Mr. Fielding) has stated, a member of an independent nation or of a sovereign State, has a voice in the League of Nations and must be more particularly identified. That is the reason why the expression "Canadian national" is used to translate the word "ressortissant," to show that the man belongs to one of the Dominions, that is, Canada. This Act on the statute books comes, comme un cheveu sur la soupe, an Act to define Canadian nationals. Might I suggest that, in order to facilitate the understanding of this legislation in the future, we put a preamble to it, stating in as few words as possible the explanation which has just been given by the Minister of Justice? I might suggest these words: That whereas it has become necessary, for the purpose of the better working of the League of Nations where Canada has a voice as a separate entity to define the status of the members who appear in the League of Nations as representing Canada, this legislation should be enacted defining these representatives as Canadian nationals—comme ressortissant de la nation canadienne, comme bon semblera. In that way, it will be seen in years to come why this legislation was enacted. In a few years the world will, perhaps, become normal again, and the next generation or the generation succeeding that will possibly be at a loss to know how this legislation came on the statute book unless some explanation is given by the preamble.

MR. JOSEPH ARCHAMBAULT (Chambly and Verchères): (Translation.) Mr. Speaker, in the French version of the Bill, these words "Nationaux Canadiens" are incorrectly given as a translation for the English "Canadian Nationals." The definition given of these people in paragraph "B" is as follows:

(b) British subjects who ordinarily reside in Canada although not domiciled there.

I should like to know from the right hon. minister whether British subjects residing in India, in South Africa, and even in China may be termed "Canadian Nationals."

MR. DOHERTY: If the hon. member will allow me, I am afraid he is reading from the Bill as it was originally introduced.

MR. ARCHAMBAULT: Yes.

MR. DOHERTY: I explained the matter and I am responsible for the confusion. I am surprised we have not the Bill before us as reprinted, because I gave most special instructions and it was reported to me early this forenoon—

MR. ARCHAMBAULT: (Translation.) I am surprised myself but can we continue the discussion if we have not the Bill before us?

RIGHT HON. MR. DOHERTY: (Translation.) I said, at the outset of my remarks, that in case some hon. members would deem it advisable, I would not insist on proceeding with the Bill, but how could I possibly make such a suggestion?

MR. SPEAKER: Order.

MR. DOHERTY: I am out of order, I am afraid, but I only want to make the suggestion that questions of this kind seem to be questions that should properly be dealt with in committee. The difficulty is that I am being asked questions and I am not entitled to answer. If, when we go into committee on the Bill, any hon. gentleman feels that he is under a disadvantage by reason of this unfortunate accident, I certainly shall not insist on pressing the Bill through.

MR. ARCHAMBAULT: I submit we should not discuss a Bill that we do not have before us.

MR. DOHERTY: All right.

HONOURABLE W. L. MACKENZIE KING (leader of the Opposition): Mr. Speaker, my purpose in rising now is not to take exception to the principle of the Bill, but rather to draw the attention of the Minister of Justice (Mr. Doherty) and the Prime Minister (Mr. Meighen) to the form in which the Government is introducing its legislation. This is the second important Bill to which, after its introduction the Government has presented an amendment much more substantial in its nature than the provisions of the Bill itself, with the result that we on this side of the House are expected to discuss a measure, the provisions of which we have not seen and with which we are not familiar. It is quite true the Minister of Justice last night presented me with a copy of the amendment he purposes moving to the Bill, but the amendment is a more substantial measure than the Bill itself. While I have been favoured with a number of copies, there has been no opportunity for members on this side to consider the matter, and, what I think is equally important, there has been no opportunity for the country to become familiar with the measure which my right hon. friend has introduced. We should have some idea of the measures that are to be discussed in this chamber, and some opportunity should be given for public opinion to express itself before measures are finally passed through this House. My right hon. friend would be taking a course that would be in the public interest if he would have his Bill presented in the form in which he hopes it to pass this House. The Government might consider that suggestion as applicable equally to all future legislation.

MR. DOHERTY: If I may be permitted, I thought I had said, we shall say, at least half a dozen times, that I did not expect hon. members to discuss the Bill unless they felt ready to do so. I made the most frank, candid and open confession that there had happened this error; that I acknowledged my responsibility and asked nobody to suffer in the slightest degree, and in the face of that complaint is made that hon. members are expected to do this, that and the other thing, whereas hon. members had been assured that they were not expected to do anything of the kind.

MR. MACKENZIE KING: It is the practice to which we are objecting.

MR. DOHERTY: Let us get the whole mystery and see what the awful crime of this Government was. The imputation is that this matter was not given consideration. The trouble came, perhaps, because it got too careful consideration. Two drafts were made of this Bill, and the unpardonable offence that occurred was that, when I was handed the draft for introduction, I was handed the first draft instead of the second. My offence goes to that extent and no further. I have acknowledged that members should have this Bill before them and that they should not be expected to discuss the matter without it. As to presentation, if the hon. gentleman thinks something is to be gained by that, I have no particular objection to take this Bill back and re-introduce it. But, as a matter of fact, the Bill as proposed to be amended is printed in full, and if it is not actually in the hands of members, the responsibility is on whoever has charge of the distribution of those papers. Let me make this suggestion: Let the Bill go into committee, as I said a few moments ago, and if then it is not thought there has been opportunity for its consideration, I shall certainly not press that it be proceeded with.

MR. BUREAU: May I ask a question?

MR. SPEAKER: We must come to some semblance of order in this debate. We are debating the principle of the Bill on its second reading, where hon. members are restricted by the rules to only one speech. Now we have had two or three speeches, and all sorts of questions. I submit that the debate ought to be adjourned, or else brought to a conclusion, one or the other. If it goes on, we must adhere to the rules.

MR. A. R. McMASTER (Brome): Mr. Speaker, I have not yet intervened in this debate, and therefore I am in order in speaking now. I think we should not be called upon to discuss even the principle of this Bill, without having had it before us. The Minister of Justice (Mr. Doherty), with his usual courtesy, has said that he is prepared to do everything to meet our reasonable requirements, which is only what we would expect of him. We accept the evidence of this spirit of justice, and I would now move that the debate be adjourned and that we proceed to some other business. If I want to speak again, I shall have another opportunity.

Motion agreed to, and debate adjourned.

Thursday, 10th March, 1921.

CANADIAN NATIONALS DEFINITION ACT.

RESUMING the adjourned debate on the motion of the Minister of Justice (Mr. Doherty) for the second reading of Bill No. 17, to define Canadian nationals, adjourned from 8th March.

MR. DEPUTY SPEAKER: I understand that this debate was adjourned by the hon. member for Bromé (Mr. McMaster).

MR. MCMASTER: I merely adjourned the debate, Mr. Speaker, for the purpose of getting over an impasse, and not with any intention of contributing to it until I had listened with the same attention as I always do to the extensive remarks—

MR. BUREAU: The more extensive remarks.

MR. MCMASTER: —to the more extensive remarks of the right hon. Minister of Justice.

Bill read the second time, and the House went into committee thereon, Mr. Boivin in the Chair.

THE CHAIRMAN: I beg to draw the attention of the committee to the fact that this Bill is a reprint of the original Bill as proposed to be amended in Committee of the whole House. Mr. Doherty moves to amend clause one by striking out all the words after the word "persons" in the first line and substituting the following words:

—shall be deemed to be Canadian nationals, viz.:—

(a) Any British subject who is a Canadian citizen within the meaning of the Immigration Act, Chapter 27 of the Statutes of 1910, as heretofore amended.

(b) The wife of any such citizen.

(c) Any person born out of Canada whose father was a Canadian national at the time of that person's birth.

Shall the amendment carry?

MR. BUREAU: May I call the attention of the committee to the French version of the Bill? If I understood the explanation of the Minister of Justice, this "Canadian national" was originally baptized in French at the League of Nations, and then was translated into English. I see that the English version was first used before this House and then translated into French, and that translation does not correspond with the original term which was born at the League of Nations. Of course, this is a matter that cannot very well be left to the translators, as, if so, it generally brings confusion later on. In order that the English version which I have in my hand should correspond with the French version, I would first ask the Minister of Justice if he would not consider it advisable that section one instead of reading "The following persons shall be deemed to be," should read, "The following persons shall be Canadian nationals"? For, after all, we make them Canadian nationals, and we do not want to have anything equivocal about their status. Therefore in the latter form it would correspond with the French version, "Sont réputées ressortissantes du Canada les personnes suivantes, savoir."

MR. DOHERTY: I would have no objection to accepting the modification. I may explain that instead of declaring that certain persons are British subjects, or that certain persons are Canadian nationals—which, I am prepared to admit, seems to be the more natural and more direct expression—it seems for a very long time past to have been the practice to say that certain persons "shall be deemed to be," etc. In the draft as it was originally before the House the words "the following persons are Canadian nationals" were used. I see no objection to accepting the definition, if the hon. gentleman thinks it is important. I believe the meaning is absolutely the same. But if we are going to modify it, I would rather say "the following persons are Canadian nationals," than "the following persons shall be Canadian nationals."

MR. BUREAU: That is better.

MR. DOHERTY: I beg therefore to move that section one, as now before the committee, be amended by substituting the word "are" for the words "shall be deemed to be."

THE CHAIRMAN: Mr. Doherty moves to amend section one, as proposed to be amended, by striking out the words "shall be deemed to be" and replacing them by the word "are." Shall the sub-amendment carry?

MR. DOHERTY: I think we might just as well deal with the French version at the same time.

MR. BUREAU: Yes.

MR. DOHERTY: I beg to move to amend subsection one in the French version by substituting the words "sont ressortissantes" for the words "sont réputées ressortissantes."

M. LE PRÉSIDENT: M. Doherty propose que la première clause du Bill 17, version française, soit amendée en remplaçant les mots "sont réputées ressortissantes" par les mots "sont ressortissantes."

MR. DOHERTY: I beg to further amend that same section by striking out the words "les personnes suivantes, savoir," so the section would read: "Sont ressortissantes du Canada."

MR. FIELDING: Is there such a thing now as a Canadian national? Is it right to say, "the following persons are Canadian nationals," or do we not by this Bill make them so? It is a very fine distinction; I merely call the hon. gentleman's attention to it.

MR. DOHERTY: I think that both things are true. There does exist to-day such a thing as a Canadian national; if there does not, then all those who are proud of the fact that they are Canadians have been attaching to themselves a designation that means nothing. It is equally true that this Act, speaking the day it is passed, declares the fact to exist that certain persons are Canadian nationals. The moment this Bill is passed—whether by virtue of this law or by virtue of any anterior thing is immaterial—these people are Canadian nationals.

MR. MCMASTER: The present tense is used in the expectation that the Bill will pass. If the Bill does not pass, then anything provided in it is of no avail. I take it, therefore, looking at the matter from the purely legal aspect, that it is correct to use the present tense.

MR. DOHERTY: I think the hon. gentleman is quite right. The Bill speaks the moment it is passed; until that moment it says nothing.

MR. MORPHY: If there is no such thing as a Canadian national, how can it be said, as set forth in subsection (c) of section 1, that any person born out of Canada "whose father was a Canadian national at the time of that person's birth," shall be a Canadian national?

MR. DOHERTY: I think that the verb "was" as used there has in mind the fact that we are speaking of a person who will be born in the future. The reference is to any person whose father "was" a Canadian national when that person was born.

MR. MORPHY: But there is no such thing as a Canadian national.

MR. DOHERTY: The hon. gentleman does not suppose there are going to be no children born in the future; that our Canadian nationals are all going to be barren?

MR. MCMASTER: Some of them are barons.

MR. DOHERTY: But not barren. I am really puzzled to know how to make it any clearer. Perhaps my hon. friend will suggest a method.

MR. CANNON: Prior to the introduction of this Bill was there any correspondence on the subject between the Canadian Government and the British Government?

MR. DOHERTY: No.

MR. CANNON: I understand that this Bill is a very important one in that it gives to Canadian citizens what might be called a separate status from that of a British subject. Has the Government in any way, shape or form conferred with the British authorities, formally or informally, with regard to this measure?

MR. DOHERTY: No. The hon. gentleman is under a misapprehension if he thinks that this Bill modifies to the extent of one iota the status of any of us as British subjects. It did not seem to the Government necessary to ask the permission of the British Government—which, I am sure, would not have had the slightest objection—how we ought to define a Canadian, still leaving that Canadian as a British subject just where he was before. I do not see how the hon. gentleman could regard that as necessary.

MR. MACLEAN (South York): Will this Bill involve any change in the classification of the census returns?

MR. DOHERTY: I do not know that there has been in the past any heading in the census returns specifying people as being or not being Canadian nationals.

MR. MACLEAN (South York): But do we specify Canadians now?

MR. DOHERTY: I have not the census returns before me, but I am under the impression that people are classified according to the origin of their ancestors. I am not quite certain whether there is a column which classifies people as Canadians.

MR. MACLEAN (South York): Then it is high time we had some definition of that kind. In our documents we do not recognize a man as a Canadian; he is distributed here and there and all over.

MR. CORP: That is for election purposes.

MR. MACLEAN (South York): Perhaps so; I have nothing to say on that. But our statutes, our documents and our official returns seem to go out of the way to avoid defining a Canadian. I had thought that this was the beginning of legislation in that direction.

MR. DOHERTY: I hope it is.

MR. MACLEAN (South York): I hope we shall soon have legislation of that kind so that it will be established here, in our documents and otherwise, as well as among all other nations, that there is such a thing as a Canadian. I do not ask for any amendment just now in that direction, but I hope that the Minister of Justice and the Government generally will do what they can to see that a Canadian is at least recognized on his own statute book; for he has not been so recognized in the past. When I say that I speak for the people of all the provinces. A recognition in our statutes, public documents, etc., of what a Canadian is, would be a further step towards the unification of the people of this country.

MR. LAPOINTE: I endorse the view of my hon. friend from South York (Mr. Maclean). It is because I think it is a step in that direction that I heartily support the Bill. I was sorry I was not here when the second reading was moved.

MR. MORPHY: The Minister spoke about trying to make clear subsection (c) of section 1, which provides that any person born out of Canada "whose father was a Canadian national at the time of that person's birth" shall be deemed to be a Canadian national. That language imports the idea that there was such a thing as a Canadian national prior to the passing of this Bill. I take it from the minister that there is no such thing until this Bill is passed, so that a boy or girl born ten years ago or five days ago could not say that his or her father was a Canadian national at the time of that child's birth, because there was no such thing then. If this is intended to apply after the Bill is passed and assented to, I see two things. The provision that "Any person born out of Canada whose father is a Canadian national at the time of that person's birth," will apply to the future; it does not cover the past. Therefore, the clause is worthy of a little consideration, when we are taking what I conceive to be a rather important step in defining Canadian nationality. I quite agree with the remarks of the hon. member for South York (Mr. W. F. Maclean) and the hon. member for East Quebec (Mr. Lapointe), in their desire, which I apprehend is the desire of the whole House, so to define Canadian nationality that it will appear in everything Canadian from this time forward.

MR. MACLEAN (South York): I am not a lawyer, but I say that the original draft of the Bill was more to the point and to the argument we are now making, that is, if the words "shall be deemed to be" are in the Bill. I have seen in the Statutes, especially in past practice, a good many clauses where that term is constantly used. If we are creating a new thing and making a new departure here to-day, beginning to establish and recognize at this late hour a Canadian national, the most emphatic way of asserting it is to put in those very words: "shall be deemed to be." I will not press that for the moment on the Minister of Justice; but I think, when he consults his law officers and the practice heretofore in our statute books, he will find that the term "shall be deemed to be" as it was first read in this chamber this evening, is not only more explicit, but announces the beginning of a new condition of affairs, and we are now beginning to define what a Canadian national is. It will be another landmark in the creation of Canadian nationality.

MR. FIELDING: I do not think the Minister of Justice has quite caught the point raised by the hon. member for North Perth (Mr. Morphy). Let me state a case. Twenty years ago a British subject residing in Ontario moved his family across to the United States, and a year later a son was born to them. That son to-day is nineteen years of age. Does he become a Canadian national under this Bill?

MR. DOHERTY: Yes.

MR. FIELDING: The minister thinks he does.

MR. DOHERTY: I am quite sure.

MR. FIELDING: The clause reads:

Any person born out of Canada whose father was a Canadian national at the time of that person's birth.

That person was born nineteen years ago. The hon. member for North Perth says—and I agree with him there—that there was then no such thing as a Canadian national, and, therefore, that does not bring the son nineteen years of age to-day and residing in Buffalo, within this Bill.

MR. MACLEAN (South York): Does my hon. friend contend that the original drafting would convey the intention he wishes to see conveyed?

MR. FIELDING: I rather thought the expression "shall be deemed to be" was a better one, but that was objected to, and apparently with good reasons. My objection goes to the root of the whole business. I think it is nonsense.

MR. DOHERTY: I rose hoping to be in agreement with my hon. friend (Mr. Fielding), but unfortunately his last statement makes that impossible. I am disposed to think, as suggested by the hon. member for North Perth (Mr. Morphy), that the definition as it is in the Bill, is not wide enough to cover a person born before the passing of this measure, but I think we can find a form of words that will produce that result by letting the present clause stand as it is, but by adding to it in this way.

(c) Any person born out of Canada whose father was a Canadian national at the time of that person's birth, or with regard to a person born before the passing of this Act whose father at the time of such person's birth possessed all the qualifications of a Canadian national as defined in this Act.

I think that will make the matter clear.

MR. EULER: I am not a lawyer like most of the gentlemen who have spoken on the Bill, and I realize that perhaps I am rather bold in attempting to point out what seems to me to be a lack of consistency between subsection (a) of section 1 on the one hand and subsections (b) and (c). Subsection (a) reads:

The following persons shall be deemed to be Canadian nationals, viz.:—

(a) any British subject who is a Canadian citizen within the meaning of the Immigration Act, chapter 27 of the Statutes of 1910, as heretofore amended.

In looking up the Immigration Act, chapter 27, section 2, I find the last paragraph of subsection (f) reads:

Provided that for the purpose of this Act a woman who has not been landed in Canada shall not be held to have acquired Canadian citizenship by virtue of her husband being a Canadian citizen; neither shall a child, who has not been landed in Canada be held to have acquired Canadian citizenship through its father or mother being a Canadian citizen.

That seems to exclude certain women and certain men, and yet subsection (b) of the Bill states specifically that the wife of any such citizen shall be deemed to be a Canadian national, and subsection (c) reads:

Any person born out of Canada whose father was a Canadian national at the time of that person's birth.

There is an inconsistency there. If we interpret according to subsection (a) and the Immigration Act, certain women and certain men would not be included, and yet subsection (b) makes no exception whatever; it says simply "the wife of any such citizen." I do not know whether the point is well taken or not.

MR. DOHERTY: We are here defining Canadian nationals. The Immigration Act was defining a Canadian citizen. The first subsection in this Bill makes everybody who is a Canadian citizen a Canadian national, and the two other subsections deal with people who are not necessarily Canadian citizens. With regard to the wife, it seemed to us proper that the wife of a Canadian national should be a Canadian national. In the Immigration Act there is a special and particular reason for not recognizing necessarily as a Canadian citizen the wife of a person who is a Canadian citizen, and the purpose of making a distinction there was to prevent a woman who never had been in Canada, and who perhaps might be subject to some objection from the immigration point of view, from coming into Canada merely because her husband had succeeded in meeting all the requirements and had become a Canadian citizen. The Immigration Act is dealing with immigration, and the term "Canadian citizen" has in that Act a meaning only with regard to immigration. We have, however, taken everybody who is a Canadian citizen under that Act and recognized him or her as a Canadian national, because that Act put upon the definition of a Canadian citizen every restriction that was thought necessary with regard to people coming into this country. If in the Immigration Act the wife of a Canadian citizen as such, without any other condition, had become a Canadian citizen we need not have said anything about her in this Act; but we are

doing so because we do not see the necessity of maintaining with regard to a Canadian national the same distinction which from the immigration point of view it was thought desirable to make in the case of a person who never was in Canada.

With regard to the Canadian citizen suppose a man came into this country and acquired Canadian citizenship under the Immigration Act and then went out and married the most notorious prostitute, a woman of the worst of habits. It would not be thought desirable, would it, that because she had married that Canadian citizen, she should be entitled to come right into our country? She will not be entitled to come right into our country and therefore in this Act it does not seem necessary to make the same distinction with regard to a Canadian national. Though under this Act she may be entitled to call herself a Canadian national, under the Immigration Act she would not be entitled to come into Canada.

MR. MURPHY: In view of the point raised by my hon. friend from North Waterloo, and the explanation given by the Minister of Justice, may I suggest to him that a good deal of confusion with regard to the interpretation of this section might be avoided if no part of that interpretation was dependent upon the language of some other statute? If, instead of this reference in subsection (a) to another Act, a definition were given in the subsection without reference to any other Act, there would be less danger of confusion, because the other Act upon which the interpretation of this subsection depends may be amended from time to time, and consequently the definition in this Act will be affected by such amendment.

MR. DOHERTY: The hon. member will notice that in referring to the definition we refer to "a Canadian citizen within the meaning of The Immigration Act, chapter twenty-seven of the statutes of 1910, as heretofore amended." We say, "as heretofore amended." We are fixing it now. It is not going to follow that because somebody amends the Immigration Act in the future, that that amendment will affect this Act.

With regard to the other part of it, what seemed to us was this: We get a definition in the Immigration Act as it stands that is satisfactory. What would be gained by copying that definition into this statute? I think that there is some value in collecting your legislation, but all that we were concerned with in this Act, once we had come to the conclusion that the definition of a Canadian citizen in the Immigration Act was satisfactory as far as it went, was to provide for people, if there were any, who we thought ought to be Canadian nationals, though they did not come within the definition of a Canadian citizen as contained in the Immigration Act, and those two classes are the people dealt with in (b) and (c). The Immigration Act, peculiarly enough, does not say anywhere that the wife of a Canadian citizen, even after she has come into Canada, and is accepted, is by the fact of her being the wife of a Canadian citizen, a Canadian citizen herself, but it does enact as though it thought that if she were landed in Canada the mere fact that her husband was a Canadian citizen would make her one. It does enact negating her right to be a Canadian citizen merely because her husband is one, unless she has been landed in Canada. That, I think, is a very wise provision from the point of view of immigration. It protects us from the coming in of improper people merely because they happen to be the wives of perfectly proper people perhaps. It did not seem to us in dealing with the definition of a Canadian national generally, where there was no question of the country being practically affected, that it was necessary to get down to as fine a definition as that. We thought we might safely follow what is a general rule in all legislation I have seen with regard to nationality, namely, that the wife of the man has the nationality he has.

MR. EULER: I quite understand that it is possible for a person to be a Canadian national, and yet not be a Canadian citizen, but it seemed to me there was some conflict in the various subsections.

MR. DOHERTY: There is an intentional difference.

MR. EULER: Is it fair to assume, then, that subsections (b) and (c) are inserted in order to override the disqualification that would otherwise exist by virtue of subsection (a) of the Immigration Act?

MR. DOHERTY: No. The Immigration Act stands absolutely untouched, and as regards immigration will continue absolutely to govern. Our reference to it is only for the purpose of bringing in as Canadian nationals everybody who is a Canadian citizen under the Immigration Act. It does not make anybody a Canadian citizen who under the Immigration Act is not a Canadian citizen. It does not remove any disability, as, for instance, in the case of the wife, the disability resulting from

the fact that she has not been landed in Canada. The Immigration Act stands as the law, absolutely untouched. All that this Act is doing is defining what is a Canadian national.

MR. VIEN: Will the right hon. gentleman read the definition in the Immigration Act?

MR. McMASTER: Before the minister does so, I should like to say just a word. Would it not be well for the minister to follow the suggestion of the hon. member for Russell (Mr. Murphy)? We are going to be asked in this statute to make reference to another statute that may be changed from year to year. The minister has pointed out that this statute will not change from year to year, and he is quite right, but in order to find out what this statute says, we will have to turn in years to come, not to the Immigration Act that we are familiar with at that future date, but to the Immigration Act as it exists to-day. We will have to trace the changes in the Immigration Act up to this day, and then stop there. I wish the minister to realize that most of the questions that have come from this side of the House are in the tone of helpful and instructive criticism; I think I am speaking for a great number on this side of the House when I say that we are glad to see anything that points to a definite acceptance of our status of nationality; of course, in this vale of tears I never expect to reach the condition where everybody will agree with what I say, but I put it to the minister, as this Act may be consulted frequently from time to time, would it not be better to have that other Act put in full in this clause, in order that it may be a sort of handbook for us in the future?

MR. DOHERTY: I will answer first the question of my hon. friend from Lotbinière. Subsection (f) of section 2 of the Immigration Act says:

(2) A British subject who has Canadian domicile; or,

(3) A person naturalized under the laws of Canada who has not subsequently become an alien or lost Canadian domicile:

Provided that for the purpose of this Act a woman who has not been landed in Canada shall not be held to have acquired Canadian citizenship by virtue of her husband being a Canadian citizen; neither shall a child who has not been landed in Canada be held to have acquired Canadian citizenship through its father or mother being a Canadian citizen.

That is the definition broadly. But there are definitions of Canadian domicile which of course have to be read into that definition, because we have to deal with a British subject who has Canadian domicile. Now, I did not repeat that definition because it would have involved in this Bill not only the reproduction of those few lines from the Immigration Act, but also the definitions in that Act, first, of domicile, and then of Canadian domicile and, I think, even of how Canadian domicile is lost, because Canadian citizenship goes with it; and under our definition Canadian nationalism would go with it if nationalism or citizenship does not depend on birth but merely on domicile. It would be possible to copy this into this Act.

MR. VIEN: What is the difference between domicile, as defined by that Act, and Canadian domicile?

MR. DOHERTY: I do not think that the definition in the Act is exactly the definition which, generally speaking, would by law define domicile. So far as I can see, the definition there was intended perhaps to avoid the difficulties with regard to intention which arise when you have at common law to determine the question of the change of domicile. I think the purpose of making this particular definition of domicile was to get rid of that question of determining that there was an intention to change domicile: As I think every lawyer knows, it is one of the most puzzling things when you are thrown on the common or everyday law for the purpose of determining change of domicile.

MR. VIEN: How would they overcome the difficulty by the definition?

MR. DOHERTY: Whether they succeeded I do not say, but domicile in the definitions means:

The place in which a person has his home, or in which he resides, or to which he returns as his place of permanent abode, and does not mean the place where he resides for some special or temporary purpose.

I may be mistaken, but I think that if you did not have that section a man might have his home in Canada, which might be the place to which he returned, but he might never have given his domicile of origin and might be still domiciled in France or England. I do not want to get into the niceties of the matter.

MR. VIEN: I fail to see how the definition as given in the Immigration Act overcomes the question of intention, which has to be proven in every case. If he has not left his domicile in England his real domicile will of course be there, because he cannot have two.

MR. DOHERTY: Under that definition, though his domicile, to all intents and purposes, may be in England he will, under our Immigration Act, have a Canadian domicile. I would rather not be led into what I am satisfied might be an interminable discussion of the intricacies of the question of how you determine at common law when a man has changed his domicile. I have had occasion to go into the question in a number of cases, and I think it was a wise provision in the statute here not to require, in order to enable a man to say that he had Canadian domicile that allowed him to come back into this country, that he should be able to establish positively, according to the ordinary law, that his domicile of origin had actually ceased to be his domicile and that his actual and real domicile was here. At all events, whatever may have been the wisdom of it, the definition is there.

MR. VIEN: You are in effect reproducing it in this Bill.

MR. DOHERTY: Yes. The view as expressed in this Bill is that if it is a good enough domicile to entitle a man to come into this country and to go back and forth freely under the Immigration Act, it is good enough to entitle him, on the one hand, to be treated as a Canadian national and, on the other hand, to subject him to the obligations of a Canadian national. It must be borne in mind that while it looms large in our eyes as a very great privilege to be a Canadian national, that privilege carries with it certain duties, and we are interested not only in seeing that those entitled to this great privilege may be able to demonstrate it, but that it is made clear just who are subject to our legislation as applicable exclusively to Canadian nationals; and that will come to have a greater importance when, as I anticipate, we have had passed the amendment removing doubts as to the extra-territoriality of our legislation. The practical question is, what is the balance of convenience—because I do not understand that we differ as to the substance of the matter—to recopy into this Act all these definitions of domicile, etc., or to content ourselves with stereotyping them now as being for all time, at least until we amend the law, the test as to who is a Canadian national? Now, it is true that a man will have to go to the Immigration Act to-day to ascertain what domicile is. But might I point out that until our present Act which we are passing is modified he will have to go back to the Canadian Nationalization Act of to-day to find what a Canadian national is? I do not really appreciate as greatly as my hon. friends do the difficulty of having to refer from one statute to another, both being contemporaneous. The Act appeared to me to be really more simple and clear by putting it into the shape in which it was, but if hon. gentlemen think it a matter of importance, I am willing to consider the suggestion that we might improve things by recopying this statute. It is very usual to legislate by reference to other existing statutes rather than to repeat the provisions referred to.

MR. VIEN: I think that the reasons given by the right hon. gentleman should prompt us to ask that the question put by my hon. friend from Brome (Mr. McMaster) be further considered and answered. The right hon. gentleman has told us that he wanted to avoid two things; first, a discussion as to the definition given in the Immigration Act of the word "domicile"; secondly, the repetition of that definition because it meant three definitions—the first that of "Canadian citizen," the second "domicile," and the third "Canadian domicile." In the explanation which the minister has given I find a reason that should justify us in insisting upon a definition of the word "domicile." I have the definition as given by the minister, but I contend that if in the Immigration Act the word "domicile" may be so defined it will not preclude a person from becoming a Canadian citizen even if he has not left his domicile in England. I contend, Sir, that we should define what a Canadian national is and we should attach to the definition of "domicile" such restrictions as would permit nobody to be a Canadian national if he has kept his domicile in England or elsewhere. Suppose, for instance, that a gentleman comes from Holland. According to the definition of the word "domicile" in the Immigration Act he is not necessarily bound to prove that he has left his domicile in Holland. He could become a Canadian citizen without that, provided he complies with the wording of the Immigration Act which is, as the right hon. gentleman clearly stated and explained a minute ago, that he has a principal place of domicile where he returns to.

MR. DOHERTY: May I point out to the hon. gentleman that if his theory is right we will inevitably get into a long discussion as to what technically may be a "domicile."

MR. VIEN: It may be necessary.

MR. DOHERTY: It is almost inevitable with regard to every man who wants to be a Canadian national, is that you may have the greatest difficulty in the world in establishing his domicile. More particularly will that be difficult in the case of his children. Surely the hon. gentleman would be satisfied—

MR. VIEN: No, not after the explanation given by the hon. gentleman a minute ago.

MR. DOHERTY: Because I told the hon. gentleman in substance that theoretically a man's domicile may be somewhere else he will not be satisfied though the man has practically done all the things which satisfied the requirements of the Immigration Act. The purpose of that definition is to get rid of the difficulty of proving a thing exceedingly difficult to prove. Now, will the hon. gentleman look for a moment at the other side of this picture. It will be acknowledged that in many and many an instance there will be an interest in claiming that the man is a Canadian national. Are we going to have people coming into this country, and domiciled under all the conditions prescribed in the Immigration Act, free to say to us: "Oh, I am not a Canadian national; I am not governed by those laws that apply to Canadian nationals." I sympathize with the hon. gentleman in the high value, the immense value, that he attaches to being a Canadian citizen—we are all proud of our Canadian nationality—but while I fully join with my hon. friend in that sentiment he must remember also that in many and many a case it will be the interest of this country to establish the fact that a man who is living in Canada—and getting all the advantages and benefits that he enjoys if he complies with the definition of a domicile—should be subjected to every law that applies to a Canadian national.

MR. VIEN: I am sorry, Mr. Chairman, but the explanation given does not convince me at all. I think that we should not allow a person residing in Canada to claim to be a Canadian national if he has a domicile elsewhere. That the Immigration Act does not compel a person to prove his intent to abandon his domicile elsewhere before becoming a Canadian citizen is an unfortunate thing, in my opinion. I am not responsible for what was done in 1910 or for the amendments made to that Act; but if I had been a member of the House at that time I would have objected to a definition which would allow a person to become a Canadian citizen without at first giving up the domicile that he had in any other country, be it France, Belgium, England or elsewhere. It is impossible to obtain national unity in this country, it is impossible to create that Canadianism which the right hon. gentleman claims to have fostered for the last few years, without exacting from every person who wishes to become a Canadian citizen the abandonment of any domicile he may have in any other country.

MR. DOHERTY: Does the hon. gentleman know that in order to become a British subject and to be naturalized under the laws of this country there is absolutely no requirement to abandon domicile? All that is required to become a British subject is that you should reside in this country for five years. The question of domicile is not raised at all; there is no requirement of any kind of domicile. We have gone further in our definition of Canadian citizenship than is necessary to be naturalized as a British subject. The hon. gentleman would create for our Canadian nationalism, and the acquisition of it, conditions that no other country has dreamed of requiring. What I want to point out to the hon. gentleman again is that the cases involved will be few and far between—very, very few—where the man who has complied with the requirements of our Immigration Act has not really got his domicile in Canada. But the purpose of that definition is to avoid the necessity, once you get all these outstanding facts—which in nine hundred and ninety-nine out of a thousand cases will mean that the man actually has his domicile here—establishing under the common law the change of intention as regards domicile. When I say "one in a thousand" it would probably be only in one case in ten thousand that the domicile of a man who had complied with all the requirements would not be in Canada. The purpose is to get rid of the difficulty of proving what is in a man's mind as to the seat of his principal establishment and to get rid of the rule under common law that a man always through his life has his domicile of origin unless you prove affirmatively not merely that he came away from there and lived elsewhere, but that he had the intention of changing his domicile.

MR. VIEN: Does not the right hon. gentleman believe that it is a good thing?

MR. DOHERTY: I have difficulty in thinking of anything that could be worse. There is nothing sacred about the common law domicile. If we get people to come here and make Canada their place of abode, whether they are British subjects to begin with or become naturalized as such, I cannot conceive that it would be a misfortune that they should be Canadian nationals during all that time because perhaps they have in the back of their heads the idea that some time they will go back to be buried, we will say, in the country they came from. At common law that is what you have got to negative. You have got to prove in some way what the man's intention was in addition to everything he did. Of course, what he did is valuable evidence of what he intended. If the hon. gentleman's suggestion were carried out, so far as it would modify this law it would make it unworkable and would not prevent any misunderstanding.

MR. VIEN: We are trying to define Canadian nationals—ressortissants du Canada. I would object to any definition which would cover persons who do not live in Canada with the intention of making this country their home permanently—

MR. DOHERTY: You require him to make it his home.

MR. VIEN: There is no similarity between the case of a British subject and the case of a Canadian national. A British subject may be such whether he lived in Australia, in India, or in South Africa.

MR. DOHERTY: Or whether he lived in France.

MR. VIEN: It does not matter at all.

MR. DOHERTY: Exactly. Why should it matter here?

MR. VIEN: That is why I say there is no similarity between the principle of becoming a British subject, as mentioned by the right hon. gentleman, and what we purpose to do by this law; that is to say, to create Canadian nationals. I would not like to say that all British subjects will become Canadian nationals, because the minister must bear in mind that it gives some advantage for those persons who are about to be defined by the Act to be able to claim they are Canadian nationals, it also implies a responsibility. Therefore, I would not like the Act to define as Canadian nationals persons who do not intend to make Canada their principal place of permanent abode. In the second place, Sir, I beg strongly to support the motion of my hon. friend from Brome. No matter what the definition may be, it will be much clearer and much handier for reference purposes that these three definitions be given here. For that reason I would ask that the expressions "Canadian citizen," "domicile," and "Canadian domicile" be repeated in this Bill.

THE CHAIRMAN: Shall the amendment carry?

MR. CAHILL: Is a British subject under all conditions permitted to come into Canada under the Immigration Act; and, if so, what is a British subject under the Act?

MR. DOHERTY: There are certain classes of British subjects who may be excluded from Canada. That is precisely the advantage of being a Canadian citizen. All British subjects are not entitled *de pleno* simply because they are British subjects to come into Canada: they are likely to be excluded if they come under any of the excluding sections of the Canadian Act. When the hon. gentleman asks me what is a British subject, I would inform him that he would find enumerated in the British National Act the kinds of people who are British subjects. For instance, everybody born within the realm is a British subject; everybody born outside the realm but of a father who is a British subject is a British subject; and everybody naturalized under the laws of the United Kingdom or under the laws of Canada becomes by such naturalization a British subject. A British subject is a man who owes allegiance to, and who is entitled to protection as a subject of the British Crown. Our Canadian national will be that kind of British subject who is in a special manner subject to and owes obedience to Canadian laws as administered through Parliament and the Government and ultimately His Majesty, he being King of these Dominions just as he is King of Great Britain and the entire Empire.

As regards the suggestion that I should insert this definition in the Bill, I cannot attach to it the importance that the hon. gentleman does. However, I would be willing to consider referring to this definition as fully developed in the schedule and printed in those sections in the schedule. I am sorry that I cannot follow the reasoning of the hon. gentleman with regard to the question of domicile, although I recognize the strength of his conviction on the subject. As to the mere form, I do think it would make a very awkward Act if you deemed it necessary to take

definitions out of another Act to which you refer and re-copy them into an Act intended only to give a definition, and I confess I do not see the advantage of it. It would be almost as reasonable to say that when you amend an article of the Civil Code of Quebec you must begin by going back and reproducing the code; that every time there is any connection between any two laws you must reproduce both of them in the same statute. I confess that I cannot see the importance of taking such a course. We have at all times to refer from one statute to another and, as I pointed out a little while ago, supposing it is twenty-five years hence, this Act will have been amended by that time or it will not have been. If it has not been, you will have to go right back to this date to find the definition. But if you did, what would the hardship be?

MR. VIEN: The hardship would be this: you will have to cover a period of ten years to find out what amendments have been made.

MR. DOHERTY: Well, is it such an appalling thing to have to look at statutes going back a period of ten years? Surely in my hon. friend's own experience the cases are few in which he does not have to look at more than one statute. The Immigration Act as it stands to-day is printed in one book, and it would be very easy to look up.

MR. CANNON: At the opening of the discussion the right hon. gentleman explained that this Bill is a consequence of our being a separate and distinct member of the League of Nations. The British Empire is also a member of the League of Nations; will the British Empire have British Empire nationals, while at the same time, Australia, Canada, India, and South Africa have nationals of their own? If so, what will be the legal difference between a British Empire national and a Canadian national?

MR. DOHERTY: The description of the British Empire as a distinct member of the League has always been interpreted as meaning the United Kingdom with the Crown colonies and dependencies.

MR. CANNON: Excluding the Dominions?

MR. DOHERTY: Yes. I may say that there has been serious criticism of the adoption of that form. It was urged at the time that the United Kingdom with the Crown colonies and dependencies should have been one member, and we should have been the others, all together going to make up the British Empire. We were not able to get it put that way, in words.

MR. VIEN: Why?

MR. DOHERTY: Really I cannot tell you why; no reason was given that I could possibly grasp. I do not know how far it is proper that I should publicly discuss things that took place in discussion in a small committee; perhaps it is not proper that I should go into the details. But while we could not get our view recognized in words, we have it recognized in practice. The British Empire is spoken of as one member of the League, but in the practical operation it is the United Kingdom that is that particular member, and we of the Dominions had our membership and our representation and our say on a footing of equality with the gentlemen who represented the United Kingdom. I think that when the proper opportunity comes we should urge that that misnomer be corrected, and when we do so we shall probably be able to make the reasonableness of our contention apparent. Perhaps it will be permissible for me to say that in officialdom, which counts for a great deal on the other side, you find an aversion to calling things by their right names. They have a love for hanging on to an old name, even when the thing itself has ceased to exist. Possibly after a thing has been gone for years, even for centuries, the name will still be there.

MR. VIEN: Has it not occurred in Canada also?

MR. DOHERTY: Yes.

MR. VIEN: Particularly in the naming of political parties.

MR. DOHERTY: Yes. I have always been struck with the extent to which the name "Liberal" is a misnomer, as applied to so many hon. gentlemen who sit opposite. Certainly my hon. friend has hit upon an apt illustration.

MR. VIEN: And the word "Tory."

MR. DOHERTY: And how utterly inapplicable the word "Tory" is to some people over here.

MR. MARCEL (Bonaventure): When I was in Paris about ten years ago I sought to have myself registered as a Canadian in one of the Departments of the French Government. That designation was refused, and I was inscribed simply as a

British subject. That, of course, was quite satisfactory to me, but I would like to know whether as a result of this legislation a man may in future claim to be inscribed on any public document as a Canadian?

MR. DOHERTY: I certainly think he would be entitled to; indeed, I thought he was in the past. On any occasion when I have been travelling and have been asked what my nationality was, I have said: "Canadian"—and it went right down. At the League of Nations we from Canada were never known as anything else—and we were not anything else—than the Canadian representatives, and we sat at the table in the position officially designated "Canadian Delegation." As I had occasion to say the other day, time develops many things. Perhaps it is some years since my hon. friend was in Paris.

MR. MARCIL (Bonaventure): I was there in 1910.

MR. DOHERTY: Well, that is ten years ago—and we are getting along.

MR. VIEN: Is it the purpose of the Bill to establish clearly who is a Canadian national as distinguished from nationals of France or of other countries?

MR. DOHERTY: Of course, we can only make laws that are laws in Canada. When the country defines what its nationals or its subjects or its citizens are, it does not make a law that binds an outside country. But it puts before the world its contention; in the first place, it makes them such in its own country, where its law has force, and then it puts before the world who it is that it claims as its subjects. It can do nothing more.

MR. VIEN: And a subject may be claimed by two countries?

MR. DOHERTY: Certainly, just to-day we have innumerable cases of dual nationality. In the recent war there were many instances of young men who had been born in Canada of French fathers. Those young men were Canadians, British subjects, undoubtedly, but in France they were French citizens, and we saw many of them go back to join the colours in France, recognizing their position as French citizens. It is one of the things that is inseparable from nationality that, as each country makes its own laws, you always have the possibility of dual nationalities; I do not think you can get rid of them until you have some system of treaties or conventions.

MR. CANNON: What will be the exact new privileges or rights conferred on Canadian nationals, in accordance with this law?

MR. DOHERTY: This law confers no rights whatever upon Canadian nationals. It defines what a Canadian national is.

MR. CANNON: What is the object of the law?

MR. DOHERTY: If there never had been a League of Nations, and if, therefore, we never had any rights to exercise there, I would have thought the Canadian Parliament, in view, amongst other things, of what the hon. member for South York (Mr. W. F. Maclean) said a little while ago and in view of what the hon. member for Bonaventure (Mr. Marcil) has said, would have welcomed a Bill defining this.

MR. CANNON: We all do.

MR. DOHERTY: Well, the hon. gentleman asks me what rights this Bill is going to confer. This Bill is not going to give anybody any rights. This Bill makes a definition. Let me give one instance, and it is only one. The nationals of every country that is a member of the League have, to begin with, a right to representation in the Assembly. We want to exercise those rights. We have a right to nominate Canadian nationals as aspirants for appointment to the permanent Court of International Justice and, if we get a majority, to elect them. If we have litigation with any other country brought before that permanent Court, and there happens to be sitting upon that permanent Court a national for our adversary, then we have a right to say: "We want a national of ours to sit there, too, to balance the thing up," because they do not proceed by refusing the judge who is a national of one of the parties; their method of evening the matter up is to say to the other party: "You may have a judge of your nationality." All these things turn upon our nationality. Supposing someone says to us: "Is this gentleman a Canadian national?" What is a Canadian national? What is a British subject? This is what the Parliament of Canada is defining to be a Canadian national. If, after the passing of this legislation, I declare that I am a Canadian national, and anybody disputes that, I will turn to the Statute and say: "I fulfil all those conditions." For years back, why do you find in the laws of Great Britain, or in France, or of any other civilized country, the definition of their citizen or subject or national? Surely we have the same interest as all other countries have to form a clear-cut idea of who

it is that is entitled, not only to rights in the outside world, but to claim for himself the honourable and distinctive title of Canadian national. We want to define that.

MR. VIEN: I understand the minister is going to introduce a schedule containing a definition.

MR. DOHERTY: I said that I was going to consider that. I must say that I have not been able to consider it very much since, but the more I consider it, the less it impresses me as a necessary thing. I shall, however, be glad to consider whether it would be desirable to do that or not.

MR. MCKENZIE: I suppose the principle of this Bill is conceded by its receiving its second reading. It is fortunate for the Minister of Justice (Mr. Doherty) that he is a member of a Tory Government when introducing and advocating and carrying through Parliament legislation of this kind. I can recall very well conditions in this House when, if a Minister of Justice in a Liberal administration would introduce anything that would look like severance from the Mother Country and cutting away the sacred ties between ourselves and the mother land, woe betide us because we would hear from the stalwart gentleman from Ontario whom I see looking at me from the other side.

MR. DOHERTY: This does not.

MR. MCKENZIE: But it seems to be all right for this Minister of Justice to be a Nationalist. A Nationalist in this country has a significant meaning, and our Tory friends do not like to be told that they are in league with the Nationalists; that they are in league with a Nationalist who used to make openings in the British flag.

MR. DOHERTY: There are Nationalists and Nationalists.

MR. MCKENZIE: Now it is all right to put us all in the same class and say that we are all Nationalists. The Bourassa sect and everybody that followed him are all right now. We have found that we have come to them, and we are all Nationalists. I do not think the good loyal people of Ontario will like the idea that we have forsaken Canadian citizenship with all that that term meant, and that we are now Nationalists, if we take our definition of a Nationalist from what Mr. Bourassa and those behind him were preaching. In 1867, only four provinces of Canada entered Confederation; they each had their status before Confederation; but when they became Canada, they got that status from an Imperial Act of Parliament, and in that Imperial Act they are called the "Dominion of Canada." By what right does this Parliament change the name from the "Dominion of Canada" to the "Nation of Canada"? We have no right, instead of calling ourselves the "Dominion of Canada" to call ourselves the "Nation of Canada." That means a change in the British North America Act, and after this Act passes, wherever the name "Dominion of Canada" occurs in the British North America Act, we shall have to substitute for it the "Nation of Canada" or the "Kingdom of Canada." There is no "Nation of Canada," and no person can say for one moment that there is. Before you can have a Nationalist, you must have a nation. As far as I am concerned, to be a Canadian citizen and a British subject is good enough for me, and I do not find it necessary, even with all its beauty and wealth of language and fine definition, to go to France for any definition of what I am. I am a Canadian.

MR. DOHERTY: We are trying to give you a home-made definition.

MR. MCKENZIE: I am a Canadian and a British subject, and particularly proud of being a subject of the British Empire and under the folds of the British flag. For that reason, I submit to the minister that I do not think we have any right to use the word "national," nor have we any business to declare ourselves a nation except by some convention with the Mother Country. If it is agreed to by convention that all the Dominions shall be called nations, and so forth, I shall have no fault to find; but it is going too far for this Parliament to declare that we are no longer a Dominion of Canada, but a nation with all the responsibilities that that word implies. We must be either one thing or the other. If we are a nation,—

Some hon. MEMBERS: Hear, hear.

MR. MCKENZIE: —we have a right to declare war. Will my hon. friends who are saying, "hear, hear," say that we have a right to declare war, or to pass in this House legislation that would be a cause of war between Great Britain and any other country? They will have to say that we could not. But if people are satisfied with the empty shell and are content to think they are a nation when they are not, I suppose we should not deprive them of the privilege of playing with the idea; but there is no such thing. It is always unwise to live under false pretences, and I see no

advantage whatever in trying prematurely to get away from our present status to be a nation when we are really not. I think the whole of this legislation is a useless bungle of words.

MR. PARENT: Mr. Chairman—

The CHAIRMAN: I want to point out to the committee before the hon. member speaks that a discussion on the principle of the Bill is certainly not now in order. The Bill was held over at the request of the Opposition owing to the fact that it was not printed, and in order that the principle might be discussed upon the second reading. It is certainly not in order for hon. members to discuss the principle of the Bill at this stage.

MR. MCKENZIE: If the Chairman has any reference to me he is sending coals to Newcastle. I was in this House many years before the hon. gentleman, and I know the rules of the House.

The CHAIRMAN: The hon. gentleman will then possibly remember that among the rules of the House is one that the ruling of the Chair cannot be questioned, and that it can only be appealed from. I hope that the other hon. members of the committee will adhere to the ruling.

MR. PARENT: It was not my intention to make a speech at all. I simply wanted to call the attention of the Minister of Immigration and Colonization (Mr. Calder) to a state of affairs which I have noticed while travelling from New York to Montreal. I was just wondering whether it would not be possible to have the form of questions submitted to immigrants and Canadian passengers coming into this country printed in both the French and English languages. That will be a good job for the Printing Bureau if the hon. gentleman wants to see that both languages in this country receive equal consideration.

MR. CALDER: That involves a question that is scarcely pertinent to the provisions of this Bill. There is something in the suggestion made by the hon. member but at the same time we must remember there are a great many people in Canada other than the French-speaking people. The number of people entering Canada from France during the last ten or fifteen years has been comparatively small compared with the numbers arriving from other countries, and if it is desirable to have these forms printed in some language other than English, it certainly would be desirable to have them printed in these other languages as well. I am aware, of course, of the argument for having public documents printed in the two official languages, but that is not applied all along the line.

MR. McMASTER: I think I ought to point out very respectfully to the Minister of Immigration and Colonization that the French language is on a very different footing in this country from the other languages to which he alludes. The first part of my hon. friend's remarks would almost lead an impartial observer to the conclusion that he had forgotten that fact. I am sure that he cannot have done so, but if by any possibility he has, I take in all kindness this opportunity of reminding him of it. As far as official documents are concerned, the hon. member (Mr. Parent) is only asking what I would imagine the constitution of the country accorded him.

MR. VIEN: There is something more to be said in that direction in answer to my hon. friend the Minister of Immigration and Colonization. The question put by my hon. friend (Mr. Parent) was in reference to Canadian nationals who travel—they are not necessarily immigrants—and who when coming into Canada after a journey to the United States are obliged to answer a questionnaire. A great number of those who travel from New York, Boston, and other American cities to Canada would not understand the questions if they were put to them in English. Very often these people are Canadian nationals coming back to their country. May I ask when we shall know the decision of the right hon. the Minister of Justice as to the schedule?

MR. DOHERTY: I have promised to consider it. I would like to have the Bill go through, and if I should come to the conclusion that it was desirable to add the schedule, I would have the Bill sent back into committee. I would ask the hon. gentleman if he would be kind enough to think it over too, because I know of only one reason for accepting his suggestion, and that is his strong feeling on the subject. I have a great respect for that. Perhaps we might make an honourable compromise in that way. If the Bill goes through committee, I would seriously consider the suggestion, and perhaps he will do so too; perhaps we shall both come to the conclusion that the schedule is not necessary, or perhaps we shall both come to the conclusion that it is.

MR. PARENT: May I ask the right hon. the Minister of Justice if in his capacity as minister he would recommend to the Minister of Immigration and Colonization that the forms submitted to Canadian nationals travelling from other countries to Canada be printed in both the French and English languages?

MR. DOHERTY: I think they ought to have the questions put to them in one or the other of the official languages which they understand, which, of course, in my own case and the case of many hon. gentlemen on the other side will involve the necessity of printing them in both languages, as we happen to have the good fortune to understand both. I think that was the sense in which the Minister of Immigration and Colonization spoke. I do not suppose the suggestion is that when you are face to face with a Russian who does not speak either French or English, you should put the questions to him in both French and English before you go out to get a Russian interpreter and try and put the questions in some language he does understand. My hon. friends, I think, know without my saying it that I have every sympathy for their feeling with regard to their language. For myself I never see any ground to make comparisons between the French language and any other language than the English in this country. I never see the possibility of putting the French language on a par with any foreign language in this country. To that extent I go, but I think all will agree that there can be no object in dumping before a Russian who understands neither French nor English a list of questions in French any more than there would be in putting them in English.

MR. PARENT: If such a man comes here he knows the situation?

MR. DOHERTY: Do not let the hon. gentleman suppose I am putting the French and Russian languages on a par, but the French and English. When you get people who understand neither, I would think there was not much object in talking to them in either.

The CHAIRMAN: Mr. Doherty moves to amend clause 1 as printed in the Bill by substituting the word "are" for the words "shall be deemed to be," and adding the following words, "or with regard to any person born before the passing of this Act whose father at the time of such birth possessed all the qualifications of a Canadian national as defined in this Act."

Amendment agreed to.

MR. DOHERTY: I move to add to the Bill as Clause 2 the following:

2. (a) Any person who by reason of his having been born in Canada is a Canadian national, but who at his birth or during his minority became under the law of the United Kingdom or of any of the self-governing Dominions of the British Empire, a national also of that Kingdom or Dominion, and is still such a national, and.

(b) any person who though born out of Canada is a Canadian national; may, if of full age and not under disability, make a declaration renouncing his Canadian nationality and on making such declaration shall cease to be a Canadian national.

MR. FIELDING: Where has this declaration to be made? The Act is silent on that point.

MR. DOHERTY: It may perhaps be desirable to specify the place. If I fall into error in that regard it is simply in following the identical analogous provision contained in the British Nationality Act and also the Act of this country. No particular formality was required for the declaration of alienage as between the nationals of different parts of the Empire. The principle laid down in the British Act with regard to a British subject who, under the circumstances mentioned there, renounces his British citizenship, was followed, and I think the section, with the words *mutatis mutandis*, was copied directly from that Act.

MR. FIELDING: What do you understand it to mean as it stands now? The declaration is to be made under what circumstances, at what point, in what form, and before whom?

MR. DOHERTY: As I say, the Act does not subject that declaration to formality. It might be well that it should. If we did that, however, we should be making a new departure. A declaration without prescribed formalities has been deemed sufficient under the existing legislation.

MR. VIEN: It may be a verbal declaration.

MR. DOHERTY: I realize there is a value in the suggestion that there should be a definite form, and I shall be prepared to ascertain what is the proper form in which the declaration should be put.

MR. CANNON: Last year in the course of the discussion of the Electoral Act, my hon. friend from Waterloo (Mr. Euler) raised certain questions as to amendments

which he desired to have introduced into the law, and at that time it was declared by the Government that certain arrangements had been come to between the Imperial authorities and the overseas Dominions as to having a uniform law of nationality or citizenship.

MR. DOHERTY: Not citizenship.

MR. CANNON: I meant to say naturalization. The right hon. gentleman who was Prime Minister at the time (Sir Robert Borden), said if I remember rightly, that no amendment could be introduced or assented to unless the Imperial authorities were consulted. We had that official declaration in the House last year. Does this new legislation interfere in any way with the arrangements made at that time and still existing between the Imperial authorities and the Canadian Government?

MR. DOHERTY: This legislation does not touch the question of naturalization at all. It leaves it absolutely where it was before any one talked about this Bill, or where it would be if this Bill were never passed. As to the arrangements which the hon. gentleman speaks about, it might be well to have the circumstances in regard thereto stated clearly. There is no more arrangement that we must do as the Imperial Parliament wants on the subject of naturalization, than there is that the Imperial Parliament must do what we want. The arrangement that was come to was that, because there was something that this Parliament could give which no one else could give, and because there was something else that the British Parliament could give which neither we nor any one else could give, we would make this agreement, that so long as our laws were identical, our naturalizations, which of their own force did not apply in the United Kingdom, would by reason of this arrangement be effective there, and vice versa, so long as our laws were identical we would recognize the home naturalization laws as effective in this country. To that extent there is an understanding. It is as desirable that our naturalization should be effective throughout the Empire as it is that the naturalization of the United Kingdom should be effective here; and because constitutionally the Parliament of the United Kingdom could not naturalize a man in Canada we agreed that it was necessary to have this arrangement, just as because we could not naturalize a man in the United Kingdom it became necessary to secure a similar undertaking on their part. The agreement was one on a footing of perfect equality.

MR. CANNON: Is it possible for a man to be a Canadian national in Canada, that is, a Canadian citizen, and not be a British subject in any other part of the British Empire?

MR. DOHERTY: A man to be a Canadian national must be a British subject.

MR. CANNON: In Canada?

MR. DOHERTY: Yes.

MR. CANNON: Can he be a Canadian national and a British subject in Canada and not be a British subject in another part of the British Empire?

MR. DOHERTY: If he has the good fortune to be naturalized under Canadian law he is a naturalized British subject in Canada and will be a naturalized British subject in the United Kingdom. He may not be one in Australia or in New Zealand, because they have not as yet passed the necessary legislation, and that is unfortunate. But I see no inconsistency in a man's being a Canadian national though he is not a British subject in Australia.

MR. CANNON: What would be the case of a man who was born in the United States, naturalized a British subject under Canadian law, and now lives in England? Is he a Canadian national?

MR. DOHERTY: If a man was born in the United States and now lives in England, having been naturalized in Canada—if these are all the facts and you have nothing else to suggest—he would not be a Canadian national because he was not born in Canada. When he was naturalized in Canada he was made a British subject, but in addition to being a British subject, if not born in Canada, he must have acquired a Canadian domicile.

MR. POWER: There is, I presume, a law defining a United Kingdom national?

MR. DOHERTY: Not that I know of.

MR. POWER: The Bill refers to a national "of that kingdom." I presume that refers to the United Kingdom. So there is such a thing as a United Kingdom national.

MR. DOHERTY: I know of no Act defining one. There are lots of things that are law though they are not in Acts, and if there be no Act or law now there may be one in the future. But I think there would be a little difficulty in ascertaining who were "ressortissants" in the United Kingdom.

MR. POWER: Am I to understand that Canada is the first of the self-governing colonies to have nationals of its own?

MR. McMASTER: So much the better.

MR. DOHERTY: I think they all have, but we are the first, so far as I know, to make the definition.

MR. McMASTER: Why should we not be?

MR. DOHERTY: I think that is our proper place, first in the line and first all the time.

MR. POWER: What would be the position of a gentleman in West Africa who lives under a mandatory power? What kind of a national would he be?

MR. DOHERTY: I think it would take a very wise man indeed—wiser than I can pretend to be—to define the position of the inhabitants of countries who are under mandates. I have not had the advantage of seeing the terms of the mandates, I do not know that they are settled, and I am afraid I will have to say that I cannot answer the question; I do not know anybody that could just now.

MR. VIEN: The Minister has spoken of an agreement which was come to, probably at the Imperial Conference in England, as to the identity of our laws on naturalization. What was the nature of that agreement? Was it written and where can it be found?

MR. DOHERTY: The hon. gentleman will find it in the Canadian Statute dealing with naturalization. He will likewise find it in the statute of the United Kingdom dealing with the same subject.

MR. VIEN: That is an enactment; my question had reference to the agreement.

MR. DOHERTY: Perhaps "agreement" is not a proper word. I might say this to the hon. gentleman: The agreement, so far as we can talk about an agreement, was reached at the Imperial Conference at which Sir Wilfrid Laurier represented Canada.

MR. VIEN: What year, please?

MR. DOHERTY: In 1911. Now what was agreed there was that it was desirable that we should have a common naturalization, and that the way to do that was to pass similar laws of naturalization in both countries. Then we passed similar laws, and out of that there arose the necessity of our keeping our laws similar. It was not peculiar to our Parliament that it was said: We cannot very well deal with the question because we have no understanding that the United Kingdom will deal with it and we want to keep our laws similar. If the hon. gentleman will look at the debate on the Naturalization Act in the House of Commons of the United Kingdom he will find numerous suggestions with respect to which the Minister in charge of the Bill said: "I think that is a good suggestion but you see we have not consulted with the Dominions and we want to avoid getting our laws different." It was not a question of the United Kingdom telling us what we must do any more than a question of our telling them what they must do. It was a question of two peoples who wanted to keep their action in line to attain a common purpose. Therefore, on their side they tried to communicate with us before final action, and we tried to communicate with them. But the origin of the understanding that was come to that a general naturalization was desirable and that the way to do it was by uniform legislation is to be found—although it had been talked about earlier—in the Imperial Conference of 1911. The hon. gentleman will see there what in substance is the understanding that was come to which was carried out by the British Act of 1914 and the Canadian Act of 1914.

MR. VIEN: I understand then that it was an agreement reached by all those self-governing Dominions that took part in the Conference in 1911?

MR. DOHERTY: Yes.

MR. VIEN: I understand further that Canada and the United Kingdom are the only two parties that have acted in conformity to that agreement?

MR. DOHERTY: Yes, that is my latest understanding.

MR. VIEN: Has any information been received by the Government as to the reasons why, after the period of ten years which has elapsed since 1911, the other self-governing Dominions did not act in accordance with the agreement that was reached at the Conference?

MR. DOHERTY: No. I cannot possibly tell the hon. gentleman. I may tell him this: By way of carrying out the understanding or agreement, and when I say "agreement," I do not want to be misunderstood—

MR. VIEN: It was a resolution of the Conference.

MR. DOHERTY: Everybody came to an agreement that if it was a desirable thing to have a naturalization that would go all over the Empire the best way to do it was by uniform legislation. I do not say that anyone sat down and said "I will do it," but that was what was agreed to be the best thing to do. Carrying that out the British authorities drafted an Act which they claimed carried out the understanding, or which purported to do so. That Act was circulated throughout the Dominions and they were all asked if it was acceptable to them. All of them except Canada said that it was acceptable. Now I do not want to indulge in anything in the nature of criticism at all, but the draft had come to this country shortly before the change of Government. I do not think it had been considered by the Government that preceded the Borden administration. When we came into office we found it there and we said: "No, that never was the understanding of the agreement and we will not submit to it." That was an Act which purported to make the United Kingdom Naturalization Act effective in Canada, so that by virtue of their legislation people would find themselves entitled to have their naturalization recognized in Canada. We took the position that we would not submit to that; that whoever was to be recognized in Canada as properly naturalized must be so under the enactment of the Canadian Parliament. It took us two years and a trip to England to get that acknowledged. Finally, it was acknowledged and now our legislation stands. The position we took was the validity of a naturalization in Canada must be accepted because it complies with all the provisions of the law of the Parliament of Canada, and not as resting on any other law. If the hon. gentleman will refer to the Naturalization Act he will see that was carried out.

MR. EULER: It certainly was my impression that when two years ago the question of the naturalization of certain aliens, introduced by myself, was before the House the then Prime Minister and the Acting Solicitor General (now Minister of Militia) stated that the Canadian Parliament was not competent to grant naturalization according to its own wishes because it conflicted with the wishes of the British Parliament or with the terms of the British Act. I am very strongly of the impression that was so stated in the House of Commons by the then Prime Minister and also by the then Solicitor-General. We remained under that impression in the session of 1919 and it was accentuated during the session of 1920. It was only at the last moment, when the Act was changed, that the admission was made that there never was ground for stating in this Parliament that the British Government was trying to dictate to us in any shape or form, that we always had that power. We were delayed for two years because members of the ministry, including the then Prime Minister, were under a wrong impression as to the law.

MR. DOHERTY: I suppose it will be conceded that this discussion is not very relevant to the Bill we are now discussing.

MR. EULER: But I would like a statement from the minister.

MR. DOHERTY: I shall be very pleased if I can to remove the misapprehension which is in the mind of the hon. member. I am quite sure that there is a misapprehension there but I am not certain that I can succeed in removing it. What was stated by the Prime Minister of the time of which the hon. gentleman speaks, and also by the Solicitor-General, was just what I pointed out a little while ago—that in order to maintain the Empire-wide quality of our naturalization the Parliament of the United Kingdom must see to it that its law was the same as ours, and we on our side must see to it that our law was the same as theirs. It was not for lack of authority, but it was because the Imperial Parliament had passed certain provisions and there was a mistaken impression that those provisions had been embodied by the draftsman in that portion of the Act which it was necessary should be identical with the British Act. It was in that the mistake consisted. The clauses referred to were not included in that portion of the Act which was required to be identical. I may say that as it happened—and I am not saying this to glorify myself—when I took up the statute and read it two things became apparent to me. That there had been a mistake; but from the form in which the statute was drafted it was not at all to be wondered that the draftsman had fallen into confusion. Let me tender my congratulations to the hon. member for North Waterloo (Mr. Euler). I know it makes him so happy, and I would hate to detract from his happiness. I admit that we made a mistake. Oh, joy, that there was once a Government composed of members of this party that made a mistake. I hope that through the years to come the hon. gentleman will be able to hug that delightful thought to his bosom, and I feel some happiness in so far as I have contributed

to the mistake which has brought that very great happiness to the hon. gentleman. Now I would like to get back to our Bill if I might.

MR. EULER: Just one moment. The minister perhaps takes almost as much pleasure out of the last part of his oration as he hoped I was taking.

MR. DOHERTY: That is impossible.

MR. EULER: My object in making the statement I did a few moments ago was possibly because of misapprehension of what the minister had said. I understand him to say that this Government could not have enacted naturalization legislation without reference to the British law, and that it took this Government two years to induce the British Government to change its attitude. If that is not what he said I misunderstood him.

MR. DOHERTY: Certainly you did.

MR. EULER: I know that the mistake, which never should have occurred and which gives him so much pleasure to dwell upon, was not the fault of the minister himself but some one else's entirely.

MR. DOHERTY: From what the hon. gentleman says I must have conveyed an entirely erroneous impression. We must be fair to everybody. The mistake was exactly the mistake I referred to in taking the Act up here. As the hon. gentleman will have occasion sometimes to refer to that Act he will find that it is divided into two parts.

MR. EULER: I know all about that.

MR. DOHERTY: Part two of the Act is essentially the part to keep identical. When the British Parliament came to amend the Act they made certain amendments to part two by inserting certain words in the section here and there, and I think in some places they substituted sections; then they enacted three additional sections, making new substantive dispositions, and finally they put a clause at the end to say—I do not recall it at the present moment, but it was one that would convey to one the impression at first glance that all of these preceding amendments were amendments to part two; but when you looked at them closely you could see that that was not correct, and that the last two or three dispositions were perfectly distinct and not intended to amend part two. To be perfectly fair to the British Government, they never pretended that those articles did amend part two; the mistake was on this side entirely. In fact, it is apparent very early in the correspondence that not only had the British Government not fallen into error, but that when they found the discussion that was going on here they took occasion to cable calling our attention to the fact that we were making a mistake. So the hon. gentleman must not have any idea that it was any attempt at imposition of authority on the part of the British Government. We make mistakes sometimes. I made one the other day and was admonished by my hon. friend from Shelburne and Queen's (Mr. Fielding) and it is always a delight to him when he is able to talk of our blunders.

MR. MCKENZIE: He would be talking all the time.

MR. VIEN: I understand the right hon. gentleman to say that when the Government undertake to enact naturalization laws they confer with the British Government so as to obtain some similarity between their laws and ours. Is that conference taking place also with the other self-governing Dominions so as to try and obtain that similarity with their laws?

MR. DOHERTY: The practice has been to transfer suggestions to the other Dominions. For instance, if the British Government made suggestions to us they would make them to the other self-governing Dominions too, and if we transmitted suggestions to the British Government that Government would submit them to the Parliaments of the other self-governing Dominions. Why the other self-governing Dominions have not acted I have no reason of knowing.

MR. VIEN: As to that—

AN HON. MEMBER: Let us get to bed.

MR. VIEN: Everybody who wants to go to bed is free to go.

SOME HON. MEMBERS: Hear, hear.

MR. VIEN: Was the proposed Bill discussed at the League of Nations?

MR. DOHERTY: No.

MR. VIEN: Was it suggested at the Peace Conference?

MR. DOHERTY: No.

MR. VIEN: And was it discussed as between Canada and the United Kingdom?

MR. DOHERTY: No.

MR. VIEN: It is purely on the initiative of Canada?

MR. DOHERTY: Yes.

MR. VIEN: And without any understanding that any other part of the British Empire will take the same action?

MR. DOHERTY: Exactly; we have no understanding as to whether any other part of the British Empire will think proper to define its nationals or not, and with all respect I think it is none of our business. Equally so, I like to believe that other parts of the Empire fully recognize that this is no concern of theirs. We are defining our own Canadian nationals. Some other of the self-governing dominions may deem it wise to define their nationals—Australia, for instance—but Australia will do exactly what she likes about it. I do not think the Canadian Parliament would feel that we had to go and ask anybody else's leave to define who we are. It is for us to recognize who is a Canadian and who is not.

MR. CANNON: I understand that after this Bill is passed Canada will, at future meetings of the League, always be represented by a Canadian national.

MR. DOHERTY: I should think so.

MR. CANNON: Or might Canada be in the same position as South Africa was at the last meeting of the League, when she was represented by Lord Robert Cecil? In view of the passage of this Bill will it no longer be possible for the Government to delegate their powers, for instance, to someone else of his standing?

MR. DOHERTY: I should not like to answer for what may happen in the future—when, for instance, my hon. friend becomes a member of the Canadian Government. I should think, however, that any Canadian Government would always be able to find Canadian nationals competent to represent Canada in the Assembly of the League of Nations. I do not want to enter upon any discussion of what General Smuts thought it proper to do in regard to South Africa; that is a matter for South Africans to settle. All hon. gentlemen will agree that on some odd occasion it might happen, when there was nothing important to be done and ornamental representation only was required, you might ask somebody on the spot to be good enough to act as Canada's representative.

MR. MCMASTER: I hope the minister does not infer that the people in the British Isles or in any other part of the Empire would be more ornamental than Canadian nationals?

MR. DOHERTY: Not more ornamental, but, you see, "*quand on n'a pas ce qu'on aime, on aime ce qu'on a*." When you do not have a Simon-pure Canadian national, then, if occasion requires, you might utilize somebody who was not quite so good-looking.

MR. VIEN: It has been found difficult so far to get a Canadian national to represent us at Washington; it may be difficult to get a Canadian national to represent us at the League of Nations.

MR. DOHERTY: The hon. gentleman should not pile all our troubles on us at the one moment. When he sees whom we shall select, he will agree that the waiting was worth while.

MR. CANNON: Especially if, as the press reports suggest, my hon. friend himself is appointed to the position.

MR. VIEN: Will the right hon. gentleman tell us what has been the cause of the delay?

MR. DOHERTY: Waiting for the numerous suggestions that we gather in day by day and night by night. It would have been a pity if opportunity had not been given for the valuable advice that that wait has given rise to.

MR. MCKENZIE: I understand that the British flag is the only flag recognized on Canadian ships by foreign nations. Will the adoption of this measure bring about any change in that respect?

MR. DOHERTY: It will not affect our ships in the slightest; we will keep on land for the time being.

MR. MCKENZIE: Then our flag will still not be recognized in any foreign country.

MR. DOHERTY: When we get a flag I suppose we will attend to its recognition.

MR. BALLANTYNE: The hon. member knows well that on the Canadian merchant ships we fly the red ensign the same as the British ships, except that we have the Canadian coat-of-arms on it.

MR. VIEN: Is it recognized abroad?

MR. BALLANTYNE: Yes.

MR. VIEN: Internationally?

MR. BALLANTYNE: I believe so.

MR. VIEN: I understand that a few years ago our Canadian flag—a British ensign with the Canadian coat-of-arms—was hauled down in the harbour of New York or Boston because it was not internationally recognized. Has this status been changed?

MR. COPP: After this Bill passes will it be possible for a person to be a Canadian national and also a national of some other overseas Dominion or the United Kingdom?

MR. DOHERTY: So long as a person who is a Canadian national did not, even though he became a national of some other Dominion, make the declaration contemplated in the Bill, he would continue to be a Canadian national. If a British subject in the United States had a son born to him, that son would be a British subject and an American citizen. I mentioned instances earlier in the evening of men born in this country who were both British subjects and French citizens. I know of no way of avoiding that unless we come to some convention in the matter. It might be desirable at some time that some convention in that regard should be arrived at between the Dominions and the Mother Country. We have a provision here to enable a man to choose which one he will adhere to if he should happen to find himself in that position.

MR. COPP: But if he is a national of Canada and also of another Dominion or the United Kingdom and does not choose to make any declaration, which must he take?

MR. DOHERTY: This Bill does not undertake to say what his relationship is to any other country. According to the law of this country, if he was born, say, in Canada, and makes no declaration, he will continue to be a Canadian national.

MR. COPP: He can exercise all the privileges of being a Canadian national, irrespective of whether he is also a national of another country?

MR. DOHERTY: Yes, just as a man born in Canada, though his father, being a Frenchman, was a French citizen, may enjoy all the privileges of a British subject either in this country or in the United Kingdom.

MR. PARENT: Under the Indian Act I understand that an Indian is not a "person." Will he become a Canadian national under this Act?

MR. DOHERTY: Well, I must confess that I have not given consideration to the question of the Indian. However, I have no reason to doubt that under the disposition of this Act an Indian would be a Canadian national if he was born in Canada.

MR. VIEN: When is the minister going to bring down that definition of the declaration?

MR. DOHERTY: I think I can take it that these clauses are adopted. I was going to move that the committee rise and report progress.

MR. FIELDING: And let the Bill remain in committee?

MR. DOHERTY: Yes, for the purpose of the declaration.

MR. MCKENZIE: It would seem to me that sub-section (b) of section 2 more properly belongs to the Naturalization Act. I do not think we have any right to declare here how any man can throw off the responsibility of having become a British subject.

MR. DOHERTY: The question is not one of throwing off British citizenship; it is purely limited to his Canadian nationality, and that is what he is throwing off. The British Nationality Act, which we have enacted also, provides how a man can throw off his quality of British subject. This Act does not touch that in the slightest. A man would lose his Canadian nationality when he threw off his quality of British subject, but his merely throwing off his quality of Canadian national does not affect his quality of British subject at all.

MR. MCKENZIE: What will he be? He is not a native of Canada; he is not a native of any other country. What on earth is he?

MR. FIELDING: Nothing at all.

MR. DOHERTY: Let us take a very simple case. A man was born in England of a father who was a Canadian national. That man would be a British subject and a Canadian national. He would have two qualities. By-and-by he thinks he would rather be a national or ressortissant of the United Kingdom. He says: "I want to renounce my Canadian nationality," and that is all he renounces; he remains just the same British subject he was before. It will depend upon what the laws of the different portions of the Empire are whether or not he becomes a national of one of those countries. It is not essential that he should be a national of any

thing at all when he is living in any part of the Empire which does not deem it necessary to define its nationalism. He may be in the unfortunate situation of being a national of nothing in particular; but he will always be a British subject, and under those circumstances, I presume he would be a national of the United Kingdom.

MR. FIELDING: And yet a man born in the United States of a father who was a British subject, would be at the same time a citizen of the United States and a Canadian national?

MR. DOHERTY: And a British subject.

MR. FIELDING: By reason of this Bill only.

MR. DOHERTY: He would be a British subject without this Bill.

MR. FIELDING: This Bill makes him a British subject.

MR. DOHERTY: It makes him a Canadian national. But before a man can be a Canadian national, he has to be a British subject. Supposing this Bill was never passed, a man born in the United States of a father who is a British subject is both an American citizen and a British subject. I know this sounds anomalous, and there is a provision in the British Nationality Act to enable a man, just as we provide here for throwing off the mere national, to throw off the quality of British subject where a man, under those circumstances by reason of his father being a British subject, is a British subject. Under that provision—I have not the text of it—that man may make a declaration of alienage and cease to be a British subject, or he may refrain from making that declaration and continue to be a British subject. There are in the world any number of people who are in the anomalous position of being subjects of two countries.

MR. CANNON: Will this Bill, from an international viewpoint, receive any application so far as Canada is concerned, outside of our territory?

MR. DOHERTY: No law has any application outside of the territory of the country that made it, but I think I am safe in saying that it is the universal international custom to accept a country's own definition of who its citizens or subjects are unless some other country disputes it. If somebody gets disputing over some of our most distinguished citizens, I can readily comprehend we may have serious disputes between different parts of this Empire as to who is entitled to claim some of the distinguished gentlemen I see in front of me. If such dispute should arise, I would not contend that our law should govern anywhere outside of Canada, any more than a British law saying that a man is a British subject governs anywhere outside of the British realms. Such laws have to depend upon international comity for any recognition outside. It would be just as absurd for me to say that this law will govern outside of Canada as to our nationality, as it would be for the British Prime Minister to say that when the Parliament of Great Britain passes a law, defining a British subject, that makes people in France say: That man is a British subject. People in France say so on account of international comity, but they are not bound to do so; they might legislate and say: That man is a French citizen, and that is the law of France.

MR. CANNON: As I understand my right hon. friend, the question is not one of law, but of courtesy, and this law is passed so as to secure representation by a Canadian national at future meetings of the League. Those meetings are held generally outside of Canada, so that the law would never apply except through courtesy.

MR. DOHERTY: I am sorry, but I cannot make for Canadians a position that does not belong to anybody in the wide world. When a British man, say Mr. Balfour—nobody will doubt his identity as a British subject and statesman—arrives at the Assembly in France and says "I am a British subject," there is no law to entitle him to recognition as such; it is not because the law of Great Britain says he is a British subject that in France he is a British subject. He is a British subject in France because France recognizes the fact. But if France chose to legislate and say that everybody born in England should be a French citizen, every one of those men, the moment he stepped into France, would be a French citizen. No country in the world can legislate to make a man its citizen outside of its borders, because no country's laws govern outside of its limits; but it is the universal practice of countries to define who are their citizens, and it is the usual practice of civilized countries to accept each country's definition of who is its citizen, until some other country puts in a claim to such people and then you may have a dispute.

MR. POWER: They may enforce their right.

MR. DOHERTY: Yes. We may pass laws until we are blue in the face: but we cannot prevent outside countries from passing laws contrary to ours, and we can never make our laws govern in a foreign country.

Section agreed to.

Progress reported.

Wednesday, 13th April, 1921.

CANADIAN NATIONALS DEFINITION ACT.

HOUSE again in committee on Bill No. 17 to define Canadian Nationals, Mr. Boivin in the Chair.

THE CHAIRMAN: When this Bill was last before the committee clause 1 as amended, had been adopted and clause 2, also. The Bill was allowed to stand for further consideration.

MR. DOHERTY: The reason for the Bill being allowed to stand was in order that consideration might be given to a suggestion for which I am indebted to the hon. member for Shelburne and Queen's. My hon. friend pointed out that in connexion with clause 2, which was passed, it would be desirable that a form of declaration should be provided, and on looking the matter up, I find that he is quite right in that regard—there should be such a form. The explanation given for the omission was that the clause was taken from the provisions of the Nationalization Act, and that there a form is not provided, the reason being that under that statute there exists power to make regulations under which the form could be defined. As there are no regulations to enable such a thing to be done in the case of the present measure, the form ought to be provided in the statute itself. I beg therefore to move:—

That Clause 2 be amended by striking out the words "and on making such declaration shall cease to be a Canadian National" in the two last lines thereof and substituting the following:—

"Such declaration may be made before a notary public or other person authorized to administer oaths in the locality in which the declaration is made, and may be in the form set out in the schedule to this Act. The declarant shall transmit his declaration to the Secretary of State of Canada and upon the Secretary of State being satisfied of the sufficiency of the declaration and that it has been duly executed it shall be filed of record, whereupon the declarant shall cease to be a Canadian National, and a certified copy of the declaration shall be forwarded to the declarant with an endorsement thereon that the original declaration has been filed of record."

Schedule.

Declaration of renunciation of Canadian nationality.

I _____ of the _____
of _____ in the _____
of _____ do hereby declare:
1. That I am a Canadian National within the definition of "An Act to define Canadian Nationals," being chapter _____ of the statutes of 1921, by reason of the fact that
2. That I am also a National of _____ by reason of the fact that
3. That I am of the full age of twenty-one years and under no disability.
4. That I hereby renounce my Canadian nationality and declare that it is my desire to be considered and treated as a National of _____

Made and subscribed before me at the _____ of _____
this _____ in the _____ day of _____ 19 _____
A Notary Public or other person
authorized to administer oaths.

MR. ARCHAMBAULT: May I ask the minister if copies of this amendment have been distributed?

MR. DOHERTY: No. As I explained, the matter was discussed when the Bill was before the committee, and the proposal which is now being made is to carry out

the suggestion of the hon. member for Shelburne and Queen's (Mr. Fielding) that there should be provided a form of declaration to be made when a person renounces his Canadian nationality.

MR. ARCHAMBAULT: Surely, Mr. Chairman, we cannot discuss the amendment which has just been read by the Minister without having had an opportunity of reading and considering it. I would like to take cognizance of this amendment before casting a vote.

MR. CASGRAIN: So would I.

MR. DOHERTY: I acted under the apprehension that the matter had already been before the committee and that the sole question was whether we should carry out the suggestion made by the hon. member for Shelburne and Queen's. If the hon. gentleman thinks there is any danger in accepting that suggestion, and that he would like to have an opportunity to further consider the amendment, I am quite willing to meet his convenience.

MR. ARCHAMBAULT: I would suggest that the minister give us an opportunity to read the amendment. I move that the Bill stand.

MR. DOHERTY: I would regret that we should be delayed in getting this Bill through committee, but I must leave it to the judgment of the hon. gentleman. If he thinks it is really important and desires to insist on his objection, I would not refuse to yield to that insistence. But perhaps he might give a moment's thought as to whether the matter is of sufficient importance to warrant this delay.

MR. ARCHAMBAULT: As I said before, I have not read the amendment which the Minister has just presented, and therefore I cannot intelligently discuss it. My right hon. friend may be able to do that; I cannot.

MR. CASGRAIN: He has had more experience, he is an ex-Judge.

MR. DOHERTY: Perhaps the hon. gentleman might read the amendment now.

MR. ARCHAMBAULT: Some other members might like to read it too.

MR. CASGRAIN: They are here to protect the people.

MR. MURPHY: I do not wish to delay the passage of the Bill, not even by making a suggestion, but may I point out to my right hon. friend (Mr. Doherty) that while the original title of the Bill is "An Act to define Canadian Nationals," the amendment which he has just introduced when added to section 2 makes that section the most important part of the Bill, and that it deals with the action by which a person can rid himself of his Canadian nationality. Under the circumstances might it not be well to amplify the title, if not to make some other changes in it?

MR. DOHERTY: If I understand it rightly, the question of the title will come up after the third reading.

MR. MURPHY: I am suggesting it now.

MR. DOHERTY: I would be glad to consider the desirability of adding words to cover what the hon. gentleman suggests.

MR. ARCHAMBAULT: On looking at my file I find that Bill No. 17 contains only one section, which is as follows:—

1. The following persons are Canadian Nationals, viz.:—

(a) British subjects domiciled in Canada.

(b) British subjects who ordinarily reside in Canada although not domiciled there.

The amendment states: that section 2 of Bill 17 is amended by striking out the words "and on making such declaration shall cease to be a Canadian national" in the two last lines thereof and substituting the following, and then follows the amendment. I do not see any section 2.

MR. DOHERTY: My hon. friend overlooks the fact that when the Bill was in committee it was amended to contain two clauses, and those clauses were both adopted, subject to consideration of the suggestion of the hon. member for Shelburne and Queen's. So the hon. gentleman is going back to the Bill as it was originally introduced.

MR. MURPHY: There is a reprint of the Bill on file.

MR. POWER: While I have the highest respect for the Minister of Justice and for the hon. member for Chambly and Verchères (Mr. Archambault), I would point out that there appears to be an amendment which has been submitted only to the Minister of Justice and to the hon. member. Surely other hon. members who are being asked to vote ought to know what is going on.

MR. ARCHAMBAULT: I quite agree with my hon. friend.

MR. DOHERTY: As I have said already, this amendment is to meet the suggestion which came from the hon. member for Shelburne and Queen's and which I thought

the committee fully apprehended when it was made and discussed. However, if hon. gentlemen think that it is of sufficient importance that they should have a further opportunity to read this amendment, I do not desire to persist. I only venture to suggest that under the circumstances perhaps on further consideration hon. members might not think it necessary to insist; but if they do insist I do not.

MR. GAUVREAU: Mr. Chairman, may I suggest a middle course? If I understand well, this amendment has been brought down at the suggestion of the hon. member for Shelburne and Queen's. Therefore if it is satisfactory to him, I do not see why we should delay its acceptance by the committee.

MR. FIELDING: I suggest, if it is not unacceptable to the hon. member for Temiscouata (Mr. Gauvreau) that we might let the Bill go through and wait for its third reading, the minister assuring us that ample time will be given before the third reading is moved.

MR. DOHERTY: I certainly would agree to that.

On the title:

The CHAIRMAN: I may say that the title cannot be changed in committee. The custom is that the committee suggest to the House any change in title which it desires to have made, and then the change is made by motion which follows the third reading of the Bill.

MR. DOHERTY: I think the suggestion of the hon. gentleman would be met if the title were altered by adding thereto the words: "and to provide for the renunciation of Canadian nationality." Then we shall have covered the two items.

Bill as amended reported.

Friday, 15th April, 1921.

CANADIAN NATIONALS DEFINITION ACT.

Third Reading

On motion of Hon. Hugh Guthrie (Acting Solicitor-General), Bill No. 17, to define Canadian Nationals and to provide for the renunciation of Canadian Nationality was read the third time and passed.

THE HOUSE OF COMMONS OF CANADA.

BILL 17.

An Act to define Canadian Nationals and to provide for the Renunciation of Canadian Nationality.

As passed by the House of Commons, 15th April, 1921.

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1. The following persons are Canadian Nationals, viz.:—

(a) Any British subject who is a Canadian citizen within the meaning of *The Immigration Act*, chapter twenty-seven of the statutes of 1910, as heretofore amended;

(b) The wife of any such citizen;

(c) Any person born out of Canada, whose father was a Canadian National at the time of that person's birth, or with regard to persons born before the passing of this Act, any person whose father at the time of such birth, possessed all the qualifications of a Canadian National, as defined in this Act.

2. (a) Any person who by reason of his having been born in Canada is a Canadian National, but who at his birth or during his minority became under the law of the United Kingdom or of any self-governing Dominion of the British Empire, a national also of that Kingdom or Dominion, and is still such a national, and,

(b) Any person who though born out of Canada is a Canadian National; may, if of full age and not under disability, make a declaration, renouncing his Canadian nationality. Such declaration may be made before a notary public or other person authorized to administer oaths in the locality in which the declaration is made, and may be in the form set out in the schedule to

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this Act. The declarant shall transmit his declaration to the Secretary of State of Canada and upon the Secretary of State being satisfied of the sufficiency of the declaration and that it has been duly executed, it shall be filed of record, whereupon the declarant shall cease to be a Canadian National, and a certified copy of the declaration shall be forwarded to the declarant with an endorsement thereon that the original declaration has been filed of record.

Schedule.

Declaration of Renunciation of Canadian Nationality.

- I, _____ of the _____ in the _____ do hereby declare:—
1. That I am a Canadian National within the definition of *An Act to define Canadian Nationals and to provide for the Renunciation of Canadian nationality*, being chapter _____ of the Statutes of 1921, by reason of the fact that
 2. That I am also a National of _____ by reason of the fact that
 3. That I am of the full age of twenty-one years and under no disability.
 4. That I hereby renounce my Canadian nationality and declare that it is my desire to be considered and treated as a National of _____

Made and subscribed before me at the _____ of _____ in the _____ of _____ this _____ day of _____ 19_____

A Notary Public or other person authorized to administer oaths.

DEBATES OF THE SENATE.
Tuesday, 19th April, 1921.
CANADIAN NATIONALS BILL.

First Reading.

BILL 17, an Act to define Canadian Nationals, and to provide for the Renunciation of Canadian nationality.—Hon. Sir James Loughheed.

Thursday, 21st April, 1921.
CANADIAN NATIONALS BILL.

Second Reading.

HON. SIR JAMES LOUGHEED moved the second reading of Bill 17, an Act to define Canadian Nationals, and to provide for the Renunciation of Canadian nationality.

He said: Honourable gentlemen, this Bill consists of two sections—one dealing with the definition of Canada Nationals, and the other making provision for the renunciation of Canadian nationality. We have entered into the League of Nations, which, as honourable gentlemen know, is constituted of most of the nations of the world. Terms are used that must necessarily be made common to all the members of the League. This term "Nationals" has been used, and, inasmuch as there are certain rights and privileges growing out of membership in the League, it is very desirable that there should be a clearly-defined interpretation placed upon the terms that are used in the League. Hence it is desirable that we should legislate upon this subject.

We have upon our statute books two laws, the Immigration Act and the Naturalization Act, which deal with citizenship, or practically the term that is before us; but there is no definition given to this particular term in those Acts. This definition is peculiarly needful owing to the many self-governing entities which

make up the British Empire and which have the right to legislate upon these questions. Without the definition there might be confusion, and it has been thought desirable to legislate as proposed in the Bill.

I may explain to honourable gentlemen that this in no way cuts down or invades the citizenship rights of a British subject. It simply defines what shall constitute a Canadian National, in the event of the question arising in connexion with the League.

HON. MR. TURRIFF: Would it not be more suitable if that definition were put in as an amendment to the Immigration Act or to the Naturalization Act?

HON. SIR JAMES LOUGHEED: No; because it has not necessarily to do with the Immigration Act. That is to say, the Immigration Act deals with the subject of immigration, and the definition placed in that Act upon citizenship has to do only and entirely with the question of immigration. This definition deals with an entirely different subject, and to embody it in another Act might lead to confusion. My honourable friend might suggest—and it would be more pertinent—that the Naturalization Act should be amended.

HON. MR. TURRIFF: Yes.

HON. SIR JAMES LOUGHEED: But that Act has to do with an entirely different subject from this. This is practically a new subject that has arisen from the League of Nations; it is therefore desirable that it should stand by itself.

HON. MR. LYNCH-STAUNTON: Does this amendment in any way affect the question of the deportation of undesirables?

HON. SIR JAMES LOUGHEED: No; it in no way affects the Immigration Act.

HON. MR. BOSTOCK: Honourable gentlemen, it is somewhat difficult to understand exactly what is the meaning of a Canadian National. I noticed in reading the discussion that took place in another chamber that apparently no very definite conclusion was reached as to what was really meant by this term. I do not think that the members of this House wish to oppose the principle of the Bill if the Government think it necessary to define the term in this way for the purpose of dealing with the question which apparently has been raised by the Treaty; but I hope that when we go into Committee my honourable friend will be able to give us a full explanation of what really constitutes a Canadian National and what are his rights.

HON. MR. LYNCH-STAUNTON: And why.

HON. MR. DANDURAND: There was a time, honourable gentlemen, when there were to be found in Canada men who thought they possessed Canadian nationality or citizenship because they had obtained naturalization papers under a Canadian Federal Act. I recall the case of prominent Americans who came here and renounced their United States nationality, to adopt another nationality, called the Canadian. It was found that on leaving Canada they were nationals, or citizens, of no country at all. Our Naturalization Act did not give to those gentlemen any status in the outside world. When they travelled outside of Canada they were disowned by American consuls and ambassadors; yet they were not recognized by British representatives abroad. They had an acquired nationality only when they were within Canada. Without mentioning names, I will simply draw the attention of the Chamber to very prominent men who came from the United States to develop our railway system. If in the past we had Canadians who were nothing outside of Canada, we shall henceforth have in Canada Canadians who will be known by many different names: there is the Canadian citizen under the Immigration Act; there will be under this Act the Canadian National; there will be the British Canadian. Under the Census Act we are not Canadians; we are British Canadians, or English Canadians, or Scotch Canadians, or French Canadians. In the census that was taken last there was no column for Canadians; they were non-existent; they were anything but Canadians. Under the Census Act, if I remember rightly, we were obliged to say where our parents came from, in order that we might be described. But now, as I say, we have Canadian citizens, we have Canadian Nationals, and we have Britishers purely and simply, who, roaming about the Dominions, feel at home and call themselves British; and there are some among us who think that they are Canadians. I wonder if we could not simplify the situation considerably by defining a Canadian. My honourable friend may be able now to explain to me the necessity of defining a Canadian National. When I attend the League of Nations shall I be obliged to say, if I am asked what I am, or from what country I come, "I am a Canadian National?" I confess I would prefer to say simply, "I am a Canadian." Will not this Act preclude me

from calling myself a Canadian if by this Act the official definition of what I am is a "Canadian National?"

HON. SIR JAMES LOUGHEED: It is wonderful, the difficulties against which my honourable friend has been struggling for years past. I wonder that he has flourished so prosperously as he has done. He seems to have entirely overlooked the fact that we have departed from the Naturalization Act which we had on the statute book some years ago.

HON. MR. DANDURAND: I know that.

HON. SIR JAMES LOUGHEED: And the difficulties which he has so graphically pointed out have been overcome by the Naturalization Act which is in operation throughout the Empire. Of course, it must have been quite apparent to my honourable friend that until that Act was passed we would have had no authority to pass legislation which would give effect to naturalization outside of Canada. But, as my honourable friend very well knows, that difficulty, about which he has said nothing, has been overcome long ago.

HON. MR. ROCHE: Honourable gentlemen, I think the honourable Minister in his explanation might have assured us whether the purpose of this Bill was to expand or to restrict the present regulations concerning naturalization in Canada, and especially with regard to its effect upon citizens of foreign nations who may wish to make their domicile in Canada. I do not know what this will effect. Lately Great Britain has entered into relations with foreign countries under the League of Nations. If there is anything in this Act that would restrict the privileges or rights of citizens of foreign countries, partakers in the League with Great Britain, they would immediately call upon Great Britain as being allies under the League of Nations to control and restrain the Act of the Dominion Parliament so that all those would have access to the dependencies or colonies of Great Britain, and, under the League of Nations, they being allies, they would be entitled to the very best treatment. If there were any Acts of ours to restrict those rights or privileges, Great Britain would be called upon to restrict those Acts.

HON. MR. LYNCH-STAUNTON: Before this Bill passes, may I ask what is a "Canadian National?"

HON. SIR JAMES LOUGHEED: It has grown out of the use in the treaty of the term "Nationals." My honourable friend's attention must have been directed to that. Consequently it becomes necessary for us to define what a "National" is. It is necessary for Canada, it will be necessary for Australia, and it may be necessary for all countries which are members of the League, to do this. It is simply owing to the use of a word which will be applied in common by all the members which form the League. It is apparent that it is very desirable to do that. We have adhered as strongly as possible to the substance of what has always constituted British citizenship in Canada. There is no distinction; it does not create a new status of citizenship.

HON. MR. LYNCH-STAUNTON: Is a similar Act being passed by the other Dominions?

HON. SIR JAMES LOUGHEED: I could not say; but I should think it would be desirable on account of the use of the term. Let me illustrate. My honourable friend has been following the deliberations of the League of Nations. He will observe at the present time, for instance, that there is being discussed the organization of a Court of International Justice, and provision has been made in the constitution of that Court that any member of the League may have one of its own representatives a member of that Court. The word "National" is used. The question then might arise, in the election of a member who would be entitled to sit on that Court, as to whether he would come within the term "National." For instance, you could not take the term "Canadian citizen under the Immigration Act" and say that a Canadian citizen under the Immigration Act would possess all the qualifications of British citizenship necessary for that office, because a restricted meaning is given to the term in certain statutes which have in view a particular object. Possibly if we slumber on it we may be able to make it more illuminating.

HON. MR. DANDURAND: I would ask my honourable friend to be prepared to give us, when we go into Committee, the distinction between a Canadian citizen and a Canadian subject.

HON. SIR JAMES LOUGHEED: It will depend upon the statute that uses the term.

HON. MR. DANDURAND: I once suggested to a very prominent American who had many dealings in Canada that he should take Canadian nationality as he had thrown in his lot with us. He struck an attitude and said, "Abandon my American

citizenship to become a subject?" and he said it with such an appearance of indignation, that I began to pinch myself to see to what extent I felt my enslavement, and I had to explain that it was but a term, a form of speech, and that I was as proud of my Canadian citizenship as he was of his American citizenship. But I find that we have moved away from subjection to become Canadian citizens according to the Act.

The motion was agreed to, and the Bill was read the second time.

22nd April, 1921.

CANADIAN NATIONALS BILL.

Considered in Committee and Reported.

ON motion of Hon. Sir James Lougheed, the Senate went into Committee on Bill 17, an Act to define Canadian Nationals and to provide for the Renunciation of Canadian Nationality. Hon. Mr. Taylor in the chair.

ON section 1—Canadian Nationals defined:

HON. SIR JAMES LOUGHEED: I hope my honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) has seen light since we discussed this matter yesterday.

HON. MR. BOSTOCK: I thought my honourable friend was going to give us some further information as to what a Canadian National really is.

HON. SIR JAMES LOUGHEED: I rather flattered myself that I fully explained this yesterday on the second reading of the Bill, notwithstanding the doubt expressed by some honourable gentlemen on the subject.

HON. MR. BELCOURT: I am not going to go into that question, because I am afraid that nobody can answer it satisfactorily, not even my honourable friend with all his sagacity and readiness. But what is the occasion of this Bill?

HON. SIR JAMES LOUGHEED: The occasion of the Bill is this: that in the League of Nations Treaties the word "National" has been used, and it is a term that has been made common to those who would represent what I might call the citizenship of the different members of the League. The term is what might be called a peculiarly European term. It is largely used in France, and it is used in Germany; but the interpretation from the French into English of the word used in the Treaties is somewhat difficult.

HON. MR. BELCOURT: Is it the translation of the French word "ressortissants"?

HON. SIR JAMES LOUGHEED: Yes, and the English word used is the word "National." As honourable gentlemen know, we have not used that word in any of our statutes in defining citizenship; consequently it is necessary to define what constitutes a national. A national in Canada would be a British subject in Canada, and it is desirable to so express it. On the other hand, we have used the word "citizenship" in the statutes in accordance with the particular object of the statute that deals with the term. We have used it in the Immigration Act, and a certain meaning is placed upon it, in that Act, and may be placed upon it in any other Act, because we have in view the application of the law to the citizenship so mentioned. There is nothing in this Bill to cut down the citizenship of a British subject in Canada, or the citizenship of anyone entitled to naturalization in Canada, once he is naturalized.

HON. MR. LYNCH-STAUNTON: I have been told that the necessity for this definition is that before the League of Nations Canada stands on her own feet—that a person from this country appears before the League's tribunals, not as a British subject, but as a resident of Canada, because if he appeared as a British subject he would necessarily be represented by the persons who represent the United Kingdom of Great Britain and Ireland. But we have an independent representative or representatives at the League of Nations—

HON. MR. ROCHE: Who are they?

HON. MR. LYNCH-STAUNTON:—and the people who are behind our representatives cannot appear under the name of British subjects, because if they did they would be at once told: "You are represented by the representation from the United Kingdom of Great Britain and Ireland." So an expression must be coined for all the Dominions so that there may be an Australian National, a South African National, a Canadian National, or a British National, for the purpose of placing him behind his representation. I am told that that is the meaning of this clause: but, although I looked casually at the debates in another place, I did not see it laid

down in that way. But there must be some real reason for this definition of a subject. "Les ressortissants," as I think my honourable friend (Hon. Mr. Belcourt) called them—the people who are entitled to the protection of the country—are those who are covered by this definition, and I cannot see that it affects our Immigration Act, either to increase or decrease, or extend or narrow, one's status. If that is the meaning of it, I should be glad to know. I am curious to understand what the real meaning of this legislation is.

HON. MR. BOSTOCK: Can the honourable gentlemen cite a case in which, for instance, anyone from Canada would appear before the League of Nations as a Canadian National? Would Sir Herbert Ames hold his position because he is a Canadian National?

HON. MR. LYNCH-STANTON: No, but when our representatives are there they may be asked, "For whom do you appear?" We do not appear for the subjects of the British Empire; we appear for a section of the subjects of the British Empire. That is all I understand from it.

HON. SIR JAMES LOUGHEED: My honourable friend is perfectly right in the reasons which he has given. Perhaps I can better illustrate the position in this way. It is proposed to establish an International Court of Justice, or a Court of International Justice, and it is proposed that that Court shall be made up of eleven members and, I think, four assistant members; but it is immaterial what number constitutes the Court. There is a provision that any member of the League may be appointed to this Court, but he must have a majority of the Council and a majority of the Assembly. But, Canada being an entity and a member of the League as fully as Great Britain itself, if a Canadian is elected a member of that Court of International Justice, how would you define him? What would you call him?

HON. MR. BELCOURT: A Canadian citizen.

HON. SIR JAMES LOUGHEED: Well, how would you determine that he is a Canadian? There is no such word in the statutes as a Canadian.

HON. MR. LYNCH-STANTON: Or in international law.

HON. MR. BELCOURT: Yes, the Immigration Act defines "Canadian citizen."

HON. SIR JAMES LOUGHEED: The Immigration Act simply provides for those who come within that Act.

HON. MR. BELCOURT: Oh, no; it does not provide only for them.

HON. MR. LYNCH-STANTON: But this is international, not domestic law.

HON. SIR JAMES LOUGHEED: Of course, we are taking the meaning that is in the Immigration Act, but we are passing a Bill which will be limited to the definition to be applied to "Canadian National."

HON. MR. FOWLER: Why not say "Canadian" instead of "Canadian National"? I object to having anything tacked on the name.

HON. SIR JAMES LOUGHEED: Because that is the language of the League.

HON. MR. FOWLER: I do not care anything about the language of the Treaty.

I object to being called a hyphenate. I am a Canadian. My family have lived in this country for 150 years—145 odd years—and I consider that I am a Canadian. I am no hyphenate of any sort.

HON. SIR JAMES LOUGHEED: How many hundred years did my honourable friend say he lived in this country?

HON. MR. FOWLER: I said my family have lived in this country nearly 150 years, and I think I am entitled to be called a Canadian, without anything being attached to the name.

HON. SIR JAMES LOUGHEED: My honourable friend overlooks the fact that we are dealing with language which is found in the Treaty, and the question is how we can meet that language and come within it.

HON. MR. FOWLER: We have helped to make that Treaty as Canadians, and I think that name is good enough.

HON. MR. BELCOURT: May I draw attention to the Immigration Act, in which will be found the definition of "Canadian citizen."

Canadian citizen means:—

(i) A person born in Canada who has not become an alien;

(ii) A British subject who has Canadian domicile; or

(iii) A person naturalized under the laws of Canada who has not subsequently become an alien or lost Canadian domicile.

It seems to me that is a complete definition, and I do not see the need for this definition unless it is for the purpose of getting a term which is exactly the same as what is used in the Treaty. But "Canadian citizen" is well defined in our statutes now.

HON. SIR JAMES LOUGHEED: Oh, yes; but it is not said there that a Canadian National, using the term in the Treaty, is the same as a Canadian citizen. We have to pass some statute to couple up those terms.

HON. MR. BELCOURT: That may be so, but I do not think there is any distinction whatever—

HON. SIR JAMES LOUGHEED: No, there is no distinction.

HON. MR. BELCOURT:—between the word "ressortissant" in French, or the word "national" in English, and the word "citizen." I do not think there is the slightest difference in the meanings of these terms; I think they are synonymous. That is why I do not quite see the necessity for this statute.

HON. MR. ROCHE: It seems to a layman that the explanation of this Bill presupposes conditions that do not exist. Canada is not national. It has not been demonstrated that it is a nation. This measure seems to be the thin edge of the wedge to have Canada recognized as a nation, when it is not one. It would give the title of "national," although every Canadian at present is only a dependent of the British Empire, and Canada is represented in the League only by allowance, and not by its own volition. It seems to me that there is involved a question which is far wider than what is implicated in this Bill.

HON. MR. BELCOURT: My honourable friend from Hamilton (Hon. Mr. Lynch-Staunton) said a moment ago that this Bill neither added to nor subtracted from the persons who are citizens.

HON. SIR JAMES LOUGHEED: No.

HON. MR. BELCOURT: Yes, you are adding paragraph *b*. That is entirely new.

HON. SIR JAMES LOUGHEED: I was under the impression that paragraph *b* came within the Naturalization Act.

HON. MR. BELCOURT: That may be. I would not be sure.

Section 1 was agreed to.

On section 2—declaration renouncing Canadian nationality:

HON. MR. BELCOURT: What is meant by "any person who though born out of Canada is a Canadian national?" I do not know what that means. Perhaps it may be the case which is provided for in subsection *c* of section 1.

HON. MR. BOSTOCK: Exactly.

HON. MR. BELCOURT: "Any person who though born out of Canada is a Canadian national," refers to paragraph *c* of section 1?

HON. SIR JAMES LOUGHEED: That would come within the Naturalization Act.

HON. MR. BELCOURT: That would be the case under sub-section *c*?

HON. SIR JAMES LOUGHEED: Yes, I fancy that is what it means.

Section 2 was agreed to.

The schedule, the preamble, and the title were agreed to.

HON. MR. BELCOURT: I wonder how the representatives who attended the last two or three meetings obtained their qualification.

HON. SIR JAMES LOUGHEED: On the credentials of this Government, I fancy.

HON. MR. WATSON: The new "National Government."

The Bill was reported without amendment.

26th April, 1921.

CANADIAN NATIONALS BILL.

Third Reading.

BILL 17, an Act to define Canadian Nationals and provide for the Renunciation of Canadian Nationality.—Hon. Sir James Lougheed.

Note.—The Bill was assented to by the Governor-General on 3rd May, 1921, and is numbered 11-12 Geo. V. c. 4.

28166

No. 50.

FOREIGN OFFICE to COLONIAL OFFICE.

[Answered by No. 53.]

Sir,

Foreign Office, S.W.1, 6th June, 1921.

WITH reference to your letter of 12th May last,* relative to the Canadian Nationality Bill, I am directed by Earl Curzon of Kedleston to state, for the information of Mr. Secretary Churchill, that, as this Bill would appear merely to give a definition of "Canadian nationals" without affecting in any way the status of such persons as British subjects, it does not affect the questions of British nationality, of the protection of British subjects abroad, of the issue of passports, etc., with which this Department is particularly concerned.

2. His Lordship has noted the statement of the Canadian Minister of Justice regarding the position of the British Empire as a member of the League of Nations, but as the whole position in regard to this question is somewhat obscure, he considers that no useful purpose could at present be served by any comment upon Mr. Doherty's statement.

3. Lord Curzon is unable to express a considered view on the first point raised in the fifth paragraph of your letter until he has received the opinion of the Law Officers of the Crown. Meanwhile, however, His Lordship would observe that, if a distinction is to be made between British subjects connected with one part of the Empire and other British subjects, the existence of the double qualification of "Canadian citizen" and "Canadian national" is likely to cause complications.

4. The same consideration applies to the point raised in the sixth paragraph. In this case, however, it is improbable that serious difficulties will occur in practice, since the United States Government will presumably be indifferent to the precise quarter from which representations are made to them on behalf of any particular British subject—whether from the Canadian Minister or from His Majesty's Ambassador at Washington.

5. As regards the position of Canada under the Air Convention, His Lordship does not see what bearing the Bill can have other than to provide an absolute definition of those persons who are exclusively entitled to own aircraft in Canada and not entitled to own them in the territory of any of the other States signatories of the Convention.

I am, &c.,

R. H. CAMPBELL.

31348

No. 51.

HOME OFFICE to COLONIAL OFFICE.

[Answered by No. 54.]

Home Office, Whitehall, 22nd June, 1921.

Sir,

I AM directed by Mr. Secretary Shortt to refer to your letters of the 12th and 21st May,† and 10th June,‡ forwarding a copy of a Bill "to define Canadian nationals and to provide for the renunciation of Canadian nationality," and copies of reports on debates on the Bill in the Canadian House of Commons and Senate, and to say that he has given very careful consideration to the Bill and desires to make the following observations.

Mr. Shortt understands that Clause 1 of the Bill, has been thought necessary by the Canadian Government in consequence of the admission of the Dominion of Canada as a member of the League of Nations, and in order to explain or facilitate the operation of the Convention relating to the Court of International Justice, and, so far as this may be the case, it does not appear to him that the clause in itself and by itself is open to much, if any, objection.

Clause 2 of the Bill, however, stands, in Mr. Shortt's opinion, in a different position. He finds it extremely difficult to realize the effect of clause 2 (a) which

includes such a phrase as "a national . . . of the United Kingdom"; but, so far as this clause has any significance, it seems to embody a principle which is inconsistent with, and possibly destructive of, that Imperial nationality which it has been the object of recent legislation to establish, even though the Bill does not in terms purport to interfere with the status of a British subject under that legislation. It is to be observed that sub-clauses (a) and (b) of clause 2 are based upon, and to some extent copy, the phraseology of section 14 (1) and (2) of the British Nationality and Status of Aliens Act, 1914, and consequently carry the implication that the nationalities denoted by the words "national of the United Kingdom" (assuming that such a nationality exists now or at any future time) or "national of a self-governing Dominion" are in relation to Canada the nationalities of foreign States. Such a conception is, in Mr. Shortt's opinion, not one that the Home Government, or indeed the Governments of other parts of the Empire, should readily accept, and he thinks it highly undesirable that any such phrase as "national of the United Kingdom" should obtain statutory recognition for the first time in a Dominion statute.

It is to be observed that clause 2 was not in the Bill as originally introduced; and it does not seem to Mr. Shortt that it is necessary for the purpose which the Bill was intended to, or will properly, serve.

Mr. Doherty, in the debates on the Bill, indicated that he had in mind in connexion with it the proposals which have been put forward as to extra-territorial effect for Canadian legislation, and Mr. Shortt cannot but feel that in this or some other connexion the present Bill, and particularly clause 2, might form a precedent or a foundation for inconvenient developments.

If it is possible to take any steps, either by way of discussion of the question by the Prime Ministers in their present Conference or otherwise, to avoid the dangerous consequences which Mr. Shortt feels may result from provisions such as those in clause 2 of the Bill, he recommends that every endeavour should be made to this end.

I am, &c.,

JOHN PEDDER.

31424

No. 52.

FOREIGN OFFICE to COLONIAL OFFICE.

[Answered by Nos. 53 and 56.]

Foreign Office, S.W.1, 23rd June, 1921.

Sir,

WITH reference to your letter of the 10th instant,* transmitting a copy of the new Canadian "Act to define Canadian nationals," I am directed by Earl Curzon of Kedleston to transmit to you, herewith, the draft of a circular on this subject which, subject to Mr. Secretary Churchill's concurrence, His Lordship proposes to address to His Majesty's Consular Officers abroad.

I am, &c.,

R. H. CAMPBELL.

Enclosure in No. 52.

(Draft.)

Sir,

Foreign Office, June, 1921.

ON 23rd May, 1921, the Governor-General of Canada assented to a Bill which had been passed by the Canadian Parliament, entitled "An Act to define Canadian nationals." A copy of the Act† is enclosed.

2. In case misapprehension may arise with regard to the effect of this Act, I have to inform you that the Act is understood to have been passed in order to regulate certain matters arising out of the position of Canada as a member of the League of Nations, and that, while defining Canadian "nationals" for this purpose, it in no way affects the status of such persons as British subjects. It consequently does not affect their treatment as regards questions of British nationality, of protection abroad, or of the issue of passports.

I am, &c.,

His Majesty's

Consular Officers abroad.

* No. 48.

† Nos. 48 and 49.

‡ 23488: L.F., not printed; see footnote on page 75.

* 23488: L.F., not printed; see footnote on page 75.

† 11-12 Geo. V., ch. 4.

31348

No. 53.

COLONIAL OFFICE to FOREIGN OFFICE.

Sir, Downing Street, 15th September, 1921.

I AM directed by Mr. Secretary Churchill to acknowledge the receipt of your letters of the 6th June, and of the 23rd June,* relative to the Canadian Act "to define Canadian nationals and to provide for the renunciation of Canadian nationality," and to transmit to you, for the information of Marquess Curzon of Kedleston, copies of correspondence† with the Home Office on the subject.

2. With regard to the fourth paragraph of your letter of the 6th June, I am to explain that it had not been intended to suggest by the sixth paragraph of the letter from this Department of the 12th May,‡ that any difficulty would occur with the United States Government. The question that appeared to arise was rather whether there would be any risk of confusion between His Majesty's Ambassador at Washington and the Canadian Minister if the latter expected to act for all persons coming within the definition of Canadian nationals under the Act.

3. With regard to the third paragraph of your letter, it is observed from your letter of the 21st July [? 20th July],§ that Lord Curzon would now favour the drawing up of future commercial Treaties in such a manner as to exclude British subjects connected with a non-adhering Dominion from the benefits conferred by the Treaty on British subjects generally. It is to be hoped that this step will not be necessary, but should matters come to such a pass, the question would have to be considered whether the Canadian Act affords a suitable method for ascertaining what Canadian British subjects are so to be debarred in consequence of the non-adherence of Canada.

4. The last paragraph of your letter would appear to be based on the view that the British States under the Air Convention are contracting States *inter se*. This view is not being adopted in this country. For example, all British subjects will be entitled to own aircraft registered in the United Kingdom, and it is not proposed in the event (which has now again become possible) of Canada having to stand out of the Convention, to regard Canadian aircraft as being debarred from flying over the British Islands under Article V. There has been no indication that the Canadian Government intend to confine the ownership of Canadian aircraft to "Canadian nationals" as defined in the Act, but if that definition includes British subjects who may be permanently connected with other parts of the Empire, it is not understood how such persons could be regarded as not entitled to own aircraft out of Canada. On the other hand, it is clear that if a corresponding definition were adopted in the British Islands for determining who is entitled to own aircraft registered in the British Islands a large number of Canadians would be so entitled.

I am, &c.,

HENRY LAMBERT.

31348

No. 54.

COLONIAL OFFICE to HOME OFFICE.

[Answered by No. 55.]

Sir, Downing Street, 15th September, 1921.

I AM directed by Mr. Secretary Churchill to acknowledge the receipt of your letter of the 22nd June,|| relative to the Canadian Act "to define Canadian nationals and to provide for the renunciation of Canadian nationality."

2. Mr. Churchill notes the view taken by Mr. Secretary Shortt of section 2 (a) of this Act, but the question arises whether, if any observations offered by His Majesty's Government relative to the Act were confined to this particular provision, the inference might not be drawn that the Act was regarded by His Majesty's Government as not giving rise to difficulty in any other respect. It seems desirable therefore that before anything is said to the Canadian Government with regard to section 2 (a) a clear understanding should be reached that no reference need be made to the other provisions, especially the definition of Canadian nationals in section 1.

* Nos. 50 and 52. † Nos. 48, 51, and 54. ‡ No. 48. § No. 151 in Dominions No. 81.

|| No. 51.

3. That definition includes:—

- (a) British subjects born in Canada.
- (b) British subjects not born in Canada but having "Canadian domicile" as defined by the Immigration Act.
- (c) Children born of such fathers out of Canada.

4. In practice, occasion not infrequently arises to determine what classes of British subjects should be regarded as belonging to one part of the Empire rather than another. It is for consideration therefore whether the Canadian definition might not include British subjects permanently associated with other parts of the Empire, and further whether there would not be risk of considerable overlapping if the United Kingdom, for example, were to adopt a similar definition. The large majority of the population of the Dominions is, of course, Dominion born. It is not at present possible to state what proportion of the Dominion born would be children of fathers born in the United Kingdom, but the percentages at the Census of 1911 of persons born in the United Kingdom were:—

Canada, 10.89

Australia, 13.5.

New Zealand, 22.65.

Union of South Africa, 14 (European population).

Mr. Churchill would be glad to receive any further observations which Mr. Shortt may have to offer.

5. I am also to enclose copies of correspondence* with the Foreign Office on the subject and to inquire whether Mr. Shortt concurs in the terms of the circular which the Secretary of State for Foreign Affairs proposes to issue to Consular officer with regard to the Act.

6. I am further to enclose extracts from the *Cape Times*, of the 10th June and 7th July, from which it will be seen that the question of the Union of South Africa passing similar legislation has been raised in the Union Parliament.

I am, &c.,

HENRY LAMBERT.

Enclosure in No. 54.

(Extract from *Cape Times*, 11th June, 1921.)

Union House of Assembly, 10th June, 1921.

DEALING with the census returns, Dr. Malan expressed gratification that the Department of the Interior had provided a column in which the person filling in the form could describe himself as being of South African nationality. He complained, however, of the confusion between race and nationality on the forms. He asked that the example of Canada should be followed so that a clear definition should be given of what was South African nationality. A Canadian going abroad was always a Canadian, and he desired the same to apply to South Africans.

STATEMENT BY MR. DUNCAN, MINISTER OF THE INTERIOR, IN UNION HOUSE OF ASSEMBLY, 6TH JULY, 1921.

(Extract from *Cape Times*, 7th July.)

South African Nationality.

IN regard to the question of South African nationality, he had not been able to find the Canadian law to which Dr. Malan referred, and in which he said that Canada had defined Canadian nationality.

DR. MALAN: It was passed this year.

MR. DUNCAN: I will look into the matter. I hope next year to be able to introduce a Naturalization Act for the Union, and I will look into the Canadian Act and see how far we can adopt what has been done there.

* Nos. 48, 50, 52, and 53.

52133

No. 55.

HOME OFFICE to COLONIAL OFFICE.

[Answered by No. 57.]

SIR, Home Office, Whitehall, 18th October, 1921.
I AM directed by Mr. Secretary Shortt to refer to your letter of the 15th ultimo* and previous correspondence relative to the Canadian Act to define Canadian nationals and to say that he has the following observations to offer as regards the further points raised by Mr. Churchill.

While he fully concurs with Mr. Churchill's view that any practical difficulties to which section 1 may lead—including the points referred to in paragraph 4 of your letter—should not be lost sight of in any representations which are made to the Canadian Government on the subject of this Act, Mr. Shortt is inclined to think that the substantial basis for any criticism of the measure as a whole is to be found in the considerations put forward in his letter of 22nd June last.† Indeed it appears to Mr. Shortt that the unfortunate consequences of the precipitate action of the Canadian Government in passing an Act of this character without previous consultation with His Majesty's Government and the Self-Governing Dominions are well illustrated by the anomalous character of the provisions of Section 2. As Mr. Churchill is aware that section was introduced into this Act as an after-thought during the Committee stage in the Canadian House of Commons in order (*inter alia*) to make it possible for a "Canadian national" to discard his Canadian "nationality" by reason of his residence outside Canada or by reason of the acquisition by him of the "nationality" of some other Dominion in the Empire or of the United Kingdom. It is indeed evident that Mr. Doherty, who was in charge of the Bill, foresaw and endeavoured to obviate by means of Section 2 the risk of overlapping in the event of the adoption of similar legislation in other self-Governing Dominions (see especially Mr. Doherty's reply to Mr. Copp, Report of Debate page 26‡ (top).

The prospect of the adoption of a similar Act by the Union Government of South Africa, as indicated in the extracts from the *Cape Times* which accompanied your letter, lends, in Mr. Shortt's view, additional force to the considerations urged in his previous letter and increases the importance of emphasizing the view that this Act is prejudicial to the essential unity which it has been the object of recent Imperial nationality laws to establish.

I am to add that Mr. Shortt thinks it very desirable in any correspondence with Canada or any other Dominion not to suggest the existence of any likelihood that the Home Government will seek to define by legislation what constitutes a "national" of the United Kingdom. So far as Mr. Shortt is aware, there is no necessity for any such measure and he hopes it may never come to pass.

Mr. Shortt suggests for Mr. Churchill's consideration that it should be indicated in any representations made to the Canadian Government on the subject of the Act that it is emphatically a matter which could usefully be discussed at an Imperial Conference with a view to arriving at an agreement (in consultation with the other Self-Governing Dominions) as to a form of definition which would be free from the objections which have been raised to the present Act.

I am to add that Mr. Shortt concurs in the terms of the circular§ which the Secretary of State for Foreign Affairs proposes to issue to Consular Officers with regard to the Canadian Act.

I am, &c.,
JOHN PEDDER.

52133

No. 56.

COLONIAL OFFICE to FOREIGN OFFICE.

SIR, Downing Street, 31st October, 1921.
WITH reference to the letter from this Department of the 15th September,|| I am directed by Mr. Secretary Churchill to transmit to you, to be laid before the

* No. 54 † No. 51. ‡ Page 101 of this volume. § Enclosure in No. 52. || No. 53.

Marquess Curzon of Kedleston, a copy of further correspondence* with the Home Office on the subject of the Canadian Act to define Canadian nationals.

2. Mr. Churchill would be glad to know whether Lord Curzon has any further observations to offer on the subject of the Act, a copy† of which, as finally passed, is enclosed.

3. With reference to your letter of the 23rd June,‡ I am to say that Mr. Churchill concurs in the draft circular which it is proposed to address to His Majesty's Consular Officers abroad.

I am, &c.,
G. GRINDLE.

52133

No. 57.

COLONIAL OFFICE to HOME OFFICE.

SIR, Downing Street, 31st October, 1921.
WITH reference to your letter of the 18th October,§ I am directed by Mr. Secretary Churchill to transmit to you, for the information of Mr. Secretary Shortt, a copy of the Canadian Act (11-12 George V, Chap. 4) to define Canadian nationals and to provide for the renunciation of Canadian nationality, as finally passed. A copy of a further letter|| to the Foreign Office on the subject of the Act is also enclosed.

2. As regards the statement in the second paragraph of your letter under reference, and in the fifth paragraph of your letter of the 22nd June,¶ that Section 2 of the Act was introduced as an afterthought during the Committee stage of the Bill, it will be observed, from Mr. Doherty's remarks on pages 5 and 6** of the reprint of the debate, that two drafts of the Bill were prepared, and that the incorrect draft was originally handed to him in error, and introduced; for all intents and purposes, however, the Bill as introduced may be taken to be that printed on page 1†† of the print. The correct draft was circulated as a reprint, "as proposed to be amended in Committee of the whole House."

I am, &c.,
G. GRINDLE.

IX.

CANADIAN REPRESENTATION AT WASHINGTON.

50980/S

No. 58.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 10.55 p.m., 16th October, 1917.)

TELEGRAM.

[Answered by No. 59.]

(Paraphrase.)

FOLLOWING telegram from your Prime Minister was brought to me to-day by Perley.

Begins:—Confidential. From many sources it has been made clear to the Government that a special Canadian representative at Washington should be immediately appointed. Lord Northcliffe is strongly of this opinion, and urged it in most emphatic terms. War conditions have brought about the necessity of prompt and immediate communication with the United States Government in respect of our affairs. The multiplicity of Departments and Commissions at Washington leads to disastrous delay if negotiations are conducted through the Embassy, which is overwhelmed with a multitude of important matters not directly concerning Canada. I propose, therefore, to appoint Hazen, and to give him the designation of High Commissioner or some suitable title. In matters that may concern the whole Empire he will, of course, consult with the Embassy, but in matters solely touching our affairs he would communicate with the United States Government and its various Commissions. As the appointment will be made without delay, I shall be glad to receive immediately any observation of the Colonial Secretary.—Ends.

* Nos. 55 and 57. † 11-12 Geo. V., ch. 4. ‡ No. 52. § No. 55. || No. 56. ¶ No. 51.
** Page 81 of this volume. †† Page 76 of this volume.

Question brought by me before Cabinet this morning. Full importance of it, of course, realised by them. I understand, however, that the appointment is only for the War, and that future arrangements will still be open to consideration. I suggest that it would be desirable in the interests of the Dominion, as well as ours, and especially having regard to what passed between your Prime Minister and myself during his recent visit, that Mr. Hazen should be attached to the Embassy in Washington, while, of course, full control over him would be retained by the Dominion Government.—LONG.

51645

No. 59.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.5 p.m., 20th October, 1917.)

TELEGRAM.

[Answered by No. 60.]

(Paraphrase.)

19TH OCTOBER. Your telegram, 16th October,* as to Canadian representation at Washington. Prime Minister says that conference during his recent visit contemplated appointment of an official who might properly be attached to Embassy, rather than an important representative in the Government, who should have recognized diplomatic status in respect of matters directly and solely concerning Canadian interests. Prime Minister fears that having regard to Hazen's position during past three years, as member of Cabinet, his attachment to Embassy would be liable to misconstruction, and that there is every reason to believe that it would not be congenial to Hazen himself. As under the conditions which you suggest it would be most difficult, and probably impossible, having regard to public opinion in this country, to secure services of any person possessing the necessary status, Prime Minister earnestly hopes that you will accept this view of situation. Proposed appointment is for period of the War, after which whole question must be carefully reconsidered. Prime Minister would be grateful if purport of above could be communicated to High Commissioner for Canada.—DEVONSHIRE.

53873/S

No. 60.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL

(Sent October 26th, 1917.)

TELEGRAM.

[Answered by No. 61.]

(Paraphrase.)

SECRET. Canadian Commissioner. It is essential in a matter of such importance there should be no misunderstanding as to what is proposed, and, on reflection, I think there may possibly be misapprehension on both sides due to difficulty of discussion by telegraph. On the one hand, I read Prime Minister's proposal in your telegram, October 19th,† for a Canadian representative at Washington with recognized diplomatic status, but not attached to Embassy, as meaning that such representative would be both technically, and in practice, independent of Embassy. But any political unit can have only one Embassy, however it may be composed, at a foreign capital, and if this were the correct meaning of the Prime Minister's proposal it seemed to me to be incompatible with the unity of the British Empire in its relations with a foreign State. If such a step were taken in respect of Canada it would almost certainly be followed in regard to other Dominions, and resultant position would be, I think, equivalent to a break up of the Empire as at present constituted. I am convinced that Borden would scout any action likely to produce such a result, and I think it quite possible that he has misunderstood the word "attach" in my telegram October 16th,† and on supposition that I contemplated putting the

* No. 58. † No. 59.

Commissioner in the position of an ordinary "attaché" was indicating the objections to that course. That was not at all the idea of the Cabinet here. They recognize, as I have long done, that it is desirable that Canada should have a representative at Washington who could settle with that Government matters of local interest, and their only point was that he should be regarded as part of His Majesty's Embassy, thereby preserving Empire unity in a foreign State. It should not be difficult to arrange this consistently with giving a marked status to the Commissioner, and it occurs to me that this could best be settled by personal conference with our Ambassador if he could find time for a visit to Ottawa. If this commends itself to Borden, I would try to arrange accordingly.

If, however, the above does not meet with his views, I should be greatly obliged if he would telegraph an exact statement of what he proposes both as to the status of his representative and the mode of accrediting him to the United States Government. Pending his reply I will defer a further reference to the Cabinet, as they can hardly give proper consideration to the matter until they have information before them.

Please communicate this telegram to Borden.—LONG.

53873/S

No. 61.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.40 a.m., 2nd November, 1917.)

TELEGRAM.

(Paraphrase.)

1ST NOVEMBER. Your telegram, Secret, of 26th October,* Canadian Commissioner. Prime Minister communicates following:—

Begins:—For many years questions of great importance between Canada and the United States respecting disputes as to management of international fishery waters, the delimitation of international boundary waters, and many other subjects have been disposed of with excellent results by Commissioners appointed by the two Governments or by conferences between the United States and Canadian officials. Canadian Food Controller, Fuel Controller, and Board of Grain Supervisors at present confer directly with corresponding Boards in United States, and quick and efficient co-operation is secured thereby. I am not aware that any constitutional objections have been, or could be, urged to these methods of procedure. They have developed naturally by adopting direct and businesslike means of communication and ignoring old forms which have lost their meaning. It is vitally important that such development should continue. Canada has now practically same population as inhabited British Isles during early Napoleonic Wars, and double the population with which United States commenced national career. Her relations with United States are of most important and intimate character, and commercial and business relations between the two countries are naturally closer than those between United Kingdom and United States. Lord Bryce told us that in his time three-quarters of work of Embassy related to Canada, and this ratio will probably be maintained. Yet Canada has hitherto had no representation on Embassy nor in any permanent direct way. Her interests have thus sometimes suffered from lack of information or oversight. Obviously this situation cannot continue. My proposal involves a suitable and dignified status for Canada's representative, but there is no desire that anything in the nature of a separate Embassy should be created. After discussion with Ambassador, who is in Ottawa, I am convinced that there will be no insurmountable difficulty in accomplishing this. Hazen will probably visit Washington in immediate future, and before appointment. The Ambassador informs us that owing to needs of United States Departments and Commissions provision of suitable accommodation will be very difficult. *Ends.*—DEVONSHIRE.

* No. 60.

54428/S

No. 62.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.30 p.m., 6th November, 1917.)

TELEGRAM.

(Paraphrase.)

SECRET. Prime Minister communicates following:—

Begins:—We have decided that question of representation at Washington will stand over until after the election. Securing of accommodation presents serious difficulties. It is anticipated that Hazen, who has been appointed Chief Justice, New Brunswick, will be chief representative of Canada on proposed Commission to confer with United States Government on important questions with reference to Atlantic and Pacific fisheries. If returned to power in January, general question of representation at Washington will again be taken up by the Government.

—DEVONSHIRE.

57047/S

No. 63.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.0 a.m., 4th October, 1919.)

TELEGRAM.

[Answered by No. 64.]

(Paraphrase.)

3RD OCTOBER. My advisers have arrived at conclusion that distinctive representation of Canada at Washington should be delayed no longer, and they refer to correspondence which has taken place since 13th October, 1917.* If my advisers are correctly informed, the consideration of questions between the United States and Canada and necessary action thereon constituted two-thirds or three-quarters of the work at the Embassy prior to the War. After the conclusion of peace the same condition will probably arise in most cases; these questions concern purely Canadian interests, and often they were approached without the exact information which should have been available. Selection of personnel of the Embassy's staff has always been without consultation with Government of Canada, and apparently with no special regard to their acquaintance with Canadian interests or conditions. A strong feeling has thus arisen in this country that effective steps should be taken to safeguard more thoroughly Canadian interests in Washington. The two countries adjoin upon a boundary line nearly 4,000 miles in length, and commercial and social intercourse are increasing constantly. My advisers refer, as an illustration, to trade conditions during five years periods from 1900 to 1919 inclusive. During first period total trade between United Kingdom and Canada was 836,000,000 dollars, between the United States and Canada 932,000,000 dollars, and between all South American countries and United States 765,000,000 dollars. Corresponding figures in the second period were 1,967,000,000 dollars, 1,262,000,000 dollars, and 1,114,000,000 dollars. Figures in the third period were 432,000,000 dollars, 2,318,000,000 dollars, and 1,639,000,000 dollars. The figures in the fourth period are 3,273,000,000 dollars, 4,483,000,000 dollars, and 3,585,000,000 dollars. The total trade between United States and Canada exceeds, it will be observed, that of United States and all South American countries, and also by a considerable margin exceeds total trade between the United Kingdom and Canada. My advisers have no doubt, having regard to these facts, as to the necessity for distinctive representation. They are desirous of accomplishing it upon lines which will maintain, and even emphasize, the solidarity of the Empire, but which give to this country the distinctive representation which constitutional development in recent years both sanctions and demands. They therefore propose that such representation should be established upon the following lines, which express conclusions to be embodied in Order in Council:—

* See Nos. 58 to 62.

Begins.—1. Dominion of Canada shall be represented by diplomatic agent in United States, duly accredited to the President of the United States, to reside at Washington in the character of Envoy Extraordinary and Plenipotentiary for Canada.

2. Canadian Minister shall be appointed by, and be directly responsible to, the Canadian Government. He shall receive his instructions from, and shall report to, Secretary of State, External Affairs.

3. Subject to an agreement to be made with the United States Government, Canadian diplomatic establishment at Washington, under direction of the Canadian Minister, shall constitute a part of the establishment of His Majesty's Embassy. —1

4. In matters between United States and His Majesty in respect of the Dominion of Canada, Canadian Ministers shall conduct negotiations and be channel of communication at Washington.

5. In all matters between His Majesty's Embassy and the Canadian Government Canadian Minister shall hereafter be channel of communication.

6. With the object of promoting the most complete co-operation and unity of purpose effective arrangements to be agreed upon between Canadian Minister and His Majesty's Ambassador shall be made for continuous consultation in all important matters of common concern, and for such necessary concerted action (?) after consultation as they may determine. They shall refer to their respective Governments for settlement any matter which they may be unable to adjust by consultation between themselves.

7. In particular such forms and mode of procedure shall be agreed upon as will prevent embarrassment or confusion on the part of United States Government in respect of channel of subsequent communication.

8. Further negotiations at Washington of matters now pending between United States and Canada shall be conducted by, and through, Canadian Minister.

—Ends.

The matter is somewhat urgent, as the Canadian War Mission at Washington has been practically closed. My advisers hope that they may be favoured with views of His Majesty's Government with as little delay as possible.

Communicated to Washington.—DEVONSHIRE.

57047/S

No. 64.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.30 p.m., 28th October, 1919.)

TELEGRAM.

[Answered by No. 65.]

(Paraphrase.)

Your telegram 3rd October.* Proposal of your Ministers has been most carefully considered by Cabinet. We recognize fully that demand for distinctive representation of Canada in His Majesty's Embassy at Washington is justified by importance of Canadian business at Washington, and closeness of relationship between States and Canada. At the same time we cordially reciprocate your desire that such distinctive representation should take a form which would maintain and emphasize solidarity of Empire and provide well-balanced protection of Canadian and Imperial interests in United States.

We think it very desirable from this point of view to secure the position of the representative of Canada as part of establishment of Embassy, and to preserve closest connexion between him and Ambassador, so that there may be constant interchange of views on matters of common concern. The most convenient and suitable method of carrying out this object would be, in our opinion, for Government of Canada to recommend, and for His Majesty to appoint, a Minister Plenipotentiary who would be next in rank in Embassy to the Ambassador, and have charge of Canadian affairs, and conduct them with the Government of United States acting upon instructions from, and reporting direct to, Government of Canada. He should take his place at the Embassy as Minister in charge of Canadian affairs, and

* No. 63.

Government of United States should be formally apprised of his appointment by official letter from Secretary of State accrediting Canadian Minister and empowering him to conduct Canadian affairs with Government of the United States direct. In absence of Ambassador, Embassy would be in charge of Canadian Minister. Solidarity of Empire would in this way be maintained and emphasized, which could hardly be the case if diplomatic agent for the Dominion of Canada were accredited to President of United States independently.

It would be essential, in order to carry out this policy, that Minister should reside at and have his office within precincts of Embassy, and that his Canadian staff, appointed like himself on the recommendation of the Government of Canada, should have diplomatic status and be regarded as part of diplomatic staff of His Majesty's Embassy, with rank equivalent to that of their British colleagues of corresponding grades. It will be necessary to find another site upon which suitable buildings can be raised, as the present Embassy House is inadequate for the purpose.

We confidently hope that above proposals will meet the views of Dominion Government. Should, however, experience show necessity for further modifications to meet altered conditions and new status of Dominions, there will be an opportunity for full discussion of this subject at the contemplated conference to be held next year on the Constitution of the Empire. Meanwhile, a beginning could at once be made by establishment of Canadian branch of Embassy at Washington, as above suggested.—MILNER.

72624/S

No. 65.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.0 p.m., 20th December, 1919.)

TELEGRAM.

[Answered by No. 67.]

(Paraphrase.)

19TH DECEMBER. My advisers have given careful consideration to your telegram of 28th October,* and they observe that so far as practical result is concerned, namely, adequate representation of Canadian interests at Washington under the control of the Canadian Government, your proposal does not differ in substance from that put forward in my telegram of 3rd October.†

Regarding the question of form, my advisers point out that they were simply concerned that in the diplomatic corps in Washington Canadian representative should have precedence on the same basis as the Ministers of other countries resident there. They now understand from formal [informal] conversations at Embassy that this result will follow under the arrangement proposed in your telegram.

Also considered that some method should be devised whereby Canadian Government would participate formally and directly in the issuance of the letter accrediting Canadian Minister Plenipotentiary to the United States Government. This purpose might be accomplished by a letter from Secretary of State for External Affairs of Canada, accompanied by a covering letter from Secretary of State for Foreign Affairs. On this point my advisers would be glad to have views of His Majesty's Government.

Subject to these observations they will be glad to proceed on the lines suggested, but before making an appointment they request an answer to the points above raised.

My advisers agree entirely with your suggestion that the proposed arrangement should be regarded as open to review if experience should disclose necessity for alteration to meet new status of the Dominion.—DEVONSHIRE.

* No. 64. † No. 63.

72623/S

No. 66.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE

(Received 11.0 p.m., 20th December, 1919.)

TELEGRAM.

[Answered by No. 68.]

(Paraphrase.)

19TH DECEMBER. Confidential. Following from my Prime Minister:—*Begins*.—Canadian representation at Washington. When matter of Canadian Ministers is finally settled, and after the United States Government has been informed, we should, I think, agree upon a form of public announcement to be made in London and here, either in our Parliament or to the Press direct, otherwise undesirable confusion may arise. If you agree, I shall be prepared when the time comes to submit such a form for your observations.—*Ends*.—DEVONSHIRE.

2289/S

No. 67.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.15 p.m., 2nd February, 1920.)

TELEGRAM.

[Answered by No. 69.]

(Paraphrase.)

2ND FEBRUARY. Your telegram of 19th December, 1919,* paragraph 3. The constitutional procedure for accrediting a Minister is, we find, by a direct letter from one Sovereign or Head of State to another. There will be no room, therefore, for a letter from either the Canadian or British Secretary of State, but the King's letter might state that he has judged it expedient to confer the rank of Minister-Plenipotentiary upon X. (this being the formula usual in such cases), and go on with a phrase inserted *ad hoc* and running "and to attach him to our Embassy to the United States of America with the especial object (or duty) of dealing with matters affecting the interests of our Dominion of Canada." The Government of Canada might address a letter, of which we should be glad to see a draft, to their nominee, informing him of his nomination and proposed duties. A copy of the letter might be sent to the State Department by the Ambassador, with a copy of the credentials. Please telegraph your Ministers' views.—SECRETARY OF STATE FOR THE COLONIES.

2289/S

No. 68.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.45 p.m., 2nd February, 1920.)

TELEGRAM.

[Answered by Nos. 70 and 75.]

(Paraphrase.)

YOUR Confidential telegram, 19th December, and my telegram of to-day,† on the subject of Canadian representation at Washington. Public announcement would most suitably be made, we think, by simultaneous statement in Canadian and British Parliaments. Announcement should on no account be made, however, before a communication has been made to the Government of the United States, and their formal agreement has been received. United States Government are very particular on such points, and may not regard matter as simple. Ambassador (or, if Ambassador still absent, *Chargé d'Affaires*, but it is desirable that the Ambassador himself should conduct correspondence and formally introduce Minister) should address a note to the Secretary of State informing him that member of Embassy staff selected by Canadian Government is about to be appointed to deal with Canadian affairs, and that rank of Minister-Plenipotentiary will be given him.—SECRETARY OF STATE FOR THE COLONIES.

* No. 65. † Nos. 66 and 67.

6565/S

No. 69.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.0 a.m., 6th February, 1920.)

TELEGRAM.

[Answered by Nos. 72 and 79.]

(Paraphrase.)

5TH FEBRUARY. Your telegram 2nd February,* Canadian representation at Washington. The proposal respecting the King's letter accrediting the Canadian Minister is agreeable to my advisers, but in their view the phrase inserted *ad hoc* should read "and to attach him to our Embassy to the United States of America with the especial object of represent (ing) us in respect of our Dominion of Canada and of dealing with matters affecting the interests of our said Dominion." My advisers would be glad to see the complete form of such a letter.

My Ministers concur in suggestion regarding letter from Canadian Government to their nominee, and they will be glad to furnish you in due course with a draft of such a letter. It would be appreciated if you could send, by mail, any precedents or forms that might be of assistance either in this connexion or for purpose of drafting any other necessary document, such as, for example, instructions to be handed to the new Minister.

It is just possible that some inquiry concerning this subject may be made by Sir R. Borden, and in the event of his doing so my Ministers would be glad if copies of these telegrams could be supplied to him.—DEVONSHIRE.

6566/S

No. 70.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.0 a.m., 6th February, 1920.)

TELEGRAM.

[Answered by No. 72.]

(Paraphrase.)

5TH FEBRUARY. Your telegram of 2nd February,† Canadian Representation at Washington. My Ministers agree that announcement of arrangement would be most suitably made as you suggest, and as Parliament is to convene at the end of this month this method will be quite convenient now. They understand, of course, that this announcement must not be made until the matter has been settled with the United States Government.

The note from the Ambassador to the Secretary of State should, in the opinion of my advisers, inform him that a representative selected by Canadian Government, with the rank of Minister-Plenipotentiary, is about to be appointed to deal with Canadian affairs, and that he will be a member of Embassy staff.

My Ministers think that the announcement should be such as to emphasize the important step in our constitutional relations about to be taken, and to indicate in suitable terms that there is to be distinctive representation of Canada, but that, at the same time, the British Empire is recognized as a unity for diplomatic purposes.—DEVONSHIRE.

9459/S

No. 71.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.0 a.m., 21st February, 1920.)

TELEGRAM.

[Answered by No. 73.]

(Paraphrase.)

20TH FEBRUARY. With reference to my telegram of 5th February,‡ Canadian representation at Washington. My Ministers inquire whether the matter has been taken up with United States Government. As it is anticipated that question will be raised in Parliament, which meets next week, they would be glad to hear as soon as possible.—DEVONSHIRE.

* No. 67. † No. 68. ‡ No. 70.

7949

No. 72.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 8.0 p.m., 23rd February, 1920.)

TELEGRAM.

[Answered by No. 74.]

(Paraphrase.)

23RD FEBRUARY. Your two telegrams, 5th February,* regarding Canadian representation at Washington. We cannot help thinking with regard to phrase proposed by your Ministers for insertion in the King's letter accrediting new Minister that this would suggest an inherent division in the representation of the policy of the British Empire which your Government are as anxious as ourselves to avoid, and which would be hardly consistent with the arrangement agreed upon whereby with a view to emphasizing the unity of the Empire for diplomatic purposes the Canadian representative is not only a member of the Embassy but, in the Ambassador's absence, actually takes control of it and of the whole representation of Imperial policy at Washington. I would suggest that the intention of your Ministers in modifying the phrase originally proposed would be met if the phrase were amended to read "and to attach him to our Embassy to the United States of America with the especial object of representing the interests of our Dominion of Canada."

I should be glad to receive the views of your Ministers as to this.

We concur in the suggested terms of notification to United States Government. Documents asked for will be sent as soon as possible.—SECRETARY OF STATE FOR THE COLONIES.

9459/S

No. 73.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 7.0 p.m., 24th February, 1920.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram of 21st February,† relative to Canadian representation at Washington, His Majesty's Chargé d'Affaires at Washington is being instructed to make communication on lines arranged to Government of United States of America.—SECRETARY OF STATE FOR THE COLONIES.

10507/S

No. 74.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.0 a.m., 27th February, 1920.)

TELEGRAM.

(Paraphrase.)

26TH FEBRUARY. With reference to your telegram of 23rd February,‡ Canadian representation at Washington. My Ministers accept phrase suggested at the end of your first paragraph accrediting the new Minister for insertion in the King's letter.—DEVONSHIRE.

* Nos. 69 and 70. † No. 71. ‡ No. 72.

11924/S

No. 75.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 4.35 a.m., 5th March, 1920.)

TELEGRAM.

[Answered by No. 80.]

(Paraphrase.)

Your telegram of 2nd February,* my telegram of 30th December [20th February],† Canadian representation at Washington. Following is statement Canadian Government wish to be made in Canadian and British Parliaments simultaneously. Subject to your suggestions they propose statement should be made as soon as United States Government have formally agreed to new arrangement.

Begins.—"As the result of recent discussions an arrangement had been concluded between British and Canadian Governments to provide Canadian diplomatic representation at Washington. Need for this important step has been fully realized on both hands for some time. For a good many years there has been direct communication between Ottawa and Washington, but the constantly increasing importance of Canadian interests in United States had made it apparent that, in addition, Canada should be represented there in some distinctive manner, for this would doubtless tend to expedite negotiations, and naturally first-hand acquaintance with Canadian conditions would promote good understanding. In view of peculiarly close relations that have always existed between people of Canada and those of United States it is confidently expected as well that this new step will have the very desirable result of maintaining and strengthening the friendly relations and co-operation between British Empire and United States.

"Accordingly it has been agreed that His Majesty, on the advice of his Canadian Ministers, shall appoint a Minister Plenipotentiary who will have charge of Canadian affairs and conduct them direct with the United States Government, acting on instructions from, and reporting direct to, Canadian Government. He will be accredited by His Majesty to the President with the necessary powers for the purpose. In order to preserve closest connexion between him and the Ambassador, Canadian representative will be part of establishment of Embassy, so that there may be constant interchange of views on matters of common concern. To this end also Canadian Minister will reside, and have his office, within the precincts of Embassy, and his Canadian staff, appointed, like himself, on the advice of Canadian Ministry, will have diplomatic status and be regarded as part of diplomatic staff of His Majesty's Embassy, with rank equivalent to that of their British colleagues' corresponding rank. In the absence of Ambassador, Canadian Minister will take charge of whole of Embassy and of representation of Imperial as well as Canadian interests.

"As the present Embassy is not adequate for the purpose it will be necessary to find another site on which suitable buildings can be raised.

"It is understood that this arrangement will be regarded as open to review if experience should disclose necessity for alteration.

"It need only be added that, in accordance with usual rule in such matters, United States Government has been consulted and that it has given the proposal a cordial welcome."—*Ends.*

—DEVONSHIRE.

* No. 68. † No. 71.

127

11924/S

No. 76.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 3.50 p.m., 15th March, 1920.)

TELEGRAM.

(Paraphrase.)

With reference to my telegram 24th February* regarding Canadian representation at Washington you will now have received from Mr. Lindsay copy of his telegram of the 4th March, No. 172, to Foreign Office.† I should be glad to receive your Ministers' observations on the suggestion of the Acting Secretary of State of United States as reported in that telegram.

The following is the text of two Foreign Office telegrams to which Mr. Lindsay's telegram replies:—

First telegram begins: No. 208. Please make following communication to Government of United States:

In view of importance of relations between United States and Canada, His Majesty's Government have been in communication with Canadian Government for some time with the object of providing for more complete representation than has hitherto existed of Canadian interests at Washington. In view of constant increase, which will no doubt be maintained in future, in commercial and social intercourse between Canada and United States, such a development seems clearly desirable. To meet this situation a representative with the rank of Minister Plenipotentiary, selected by the Canadian Government, is about to be appointed to deal with Canadian affairs: he will be a member of the Embassy staff. That the introduction of this system, designed as it is to facilitate the transaction of business between the United States and Canada, will be acceptable to Government of United States His Majesty's Government have no doubt. It is proposed to announce at an early date introduction of new system both in Ottawa and here. *End of first telegram.*

Second telegram begins: No. 209. In explanation of my immediately preceding telegram No. 208, you may add verbally that introduction of new system will not denote any departure, either on the part of Canadian Government or of His Majesty's Government from principle of diplomatic unity of British Empire. New Minister will rank immediately after the Ambassador in Embassy, and will take charge in latter's absence. He will, however, be ordinary channel of communication at all times in matters of purely Canadian interest. He will receive credentials from the King direct as in case of His Majesty's Minister at Paris.

Statement on this subject will have to be made shortly in Parliament, and as a matter of courtesy to Government of United States we should be glad to receive their concurrence as soon as possible. *End of second telegram.*

* No. 73.

† The terms of this telegram were as follows:—

No. 172. Canadian representation at Washington. Your telegrams No. 208; and No. 209.† I have addressed Note to State Department in sense of above telegrams.

Acting Secretary of State spoke to me to-day on Canadian representation in a purely private manner. He felt sure that from practical point of view it would be most valuable and welcome to State Department. He himself was most anxious to do all he could to facilitate it. One difficulty he foresaw was that other British Dominions would presumably require same privileges, but that was our, and not his, difficulty. More serious was the question of giving a corresponding status to American representative in Canada. He could understand that objections might be raised to that, but anticipated that it might cause difficulties. He thought that special credentials of Canadian representative might cause questions to arise, but he did not lay stress on it, understanding that there are precedents, and that point is one of (gr. undec.) importance. He was inclined to think proposal might be started more easily if United States Government were not formally asked to give their approval, and if Canadian representative were to arrive in America and be presented in his rank and status by Ambassador. I said I would ask your views on this point. Please instruct.

On point of precedence, that is, that Canadian representative should rank after Envoy Extraordinary and Minister Plenipotentiary but before other *Chargés d'Affaires* and Counsellors of Embassy not having rank of Minister, he did not anticipate any difficulty.

His observations were purely personal, and he is not yet ready to give an official answer, but he made it clear that he was most anxious to be helpful.

Repeated to Canada by post.

† Text in No. 76.

Will telegraph as to proposed announcement embodied in your telegram 4th March* as soon as possible, but it will be seen that last paragraph of announcement would have to be modified should your Ministers agree to suggestion of Acting Secretary of State.

Sending by mail documents requested your telegram 5th February.†—
SECRETARY OF STATE FOR THE COLONIES.

14141/S

No. 77.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.25 a.m., 17th March, 1920.)

TELEGRAM.

[Answered by No. 78.]

(Paraphrase.)

16TH MARCH. Canadian representation at Washington. As it seemed from text of his telegrams to Foreign Office No. 191, 11th March,‡ and No. 172, 4th March,§ that Chargé d'Affaires at Washington might not be in possession of text of proposed announcement as submitted in my telegram 4th March,|| text has been telegraphed to him, and inquiry made as to whether as a result of his conversation with Mr. Polk he considers that State Department would object to the announcement if last paragraph were omitted.

14000

No. 78.

THE SECRETARY OF STATE to THE ACTING GOVERNOR-GENERAL.

(Sent 1.25 p.m., 20th March, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your telegram 16th March* regarding Canadian representation at Washington, in view of what is stated in Mr. Lindsay's telegram 12th March, No. 191,** to Foreign Office as to desirability of reaching early settlement it is suggested by Secretary of State for Foreign Affairs that Government of Canada may think it advisable to send at an early date responsible statesman to Washington to discuss matter with Mr. Polk and Mr. Lindsay with a view to arriving at a procedure satisfactory to all parties for announcing the new appointment.

* No. 75. † No. 69.

‡ The text of this telegram was as follows:—

No. 191. My telegram No. 172. I asked the Acting Secretary of State about the question of Canadian representation. He said that he had been thinking of it and had not yet even submitted it to the President. He was more than before inclined to think that the best course would be to send representative and not ask for the approval of State Department. He was anxious to avoid committing Department to approval of any action which could be construed by anyone as involving principle of a separation in the representation of the Empire. He foresaw that they would press here on United States Government to send diplomatic representatives to other Dominions, and very possibly, too, to Ireland. To some extent these difficulties concerned only His Majesty's Government, but he feared they might give rise to situation which would affect the good relations between the two Governments.

I asked him, as a personal suggestion, how it would be if Embassy were to inform State Department that a Minister was about to be appointed to the Embassy under the Ambassador (group undecipherable) Canada and who (group undecipherable) naturally would take charge of Canadian affairs: that a statement to that effect was about to be made in Parliament, and inquiring whether State Department would object to this procedure. He replied that this was a different thing to what was contained in my Note to him based on your telegram No. 208 and your telegram No. 20 (29)† in which concurrence in proposed appointment of the United States was requested. He did not commit himself to any view, but said he would have to refer such a Note to the President.

I think it would be advisable to get this matter settled as soon as possible. Appointment of Mr. Colby as Secretary of State has not yet been confirmed by Senate, but I do not think action by them can be postponed indefinitely. It is likely that Mr. Colby would be less inclined than Mr. Polk to avoid Anglo-American (?difficulties).

Addressed to Foreign Office No. 191.

Repeated to Canada.

§ For the text of this note see footnote to No. 76. || No. 75. ¶ No. 77. ** See note to No. 77. †† Text in No. 70.

13007

No. 79.

THE SECRETARY OF STATE to THE ACTING GOVERNOR-GENERAL.

(Confidential.)

SIR,

Downing Street, 22nd March, 1920.

WITH reference to the Governor-General's telegram of the 5th February,* I have the honour to transmit to Your Excellency, to be laid before your Ministers, the accompanying documents which have been prepared at the Foreign Office in connexion with the proposed appointment of a Canadian Minister at Washington.

A. Draft of credentials.

B. Draft form of letter notifying the new Minister of his appointment.

C. Suggested points of instructions for the new Minister.

2. Draft A would be prepared for the King's signature, and the first paragraph has been drafted in accordance with the understanding reached with your Government on the subject. The second paragraph is in the usual form.

3. Drafts B and C would be issued by your Government. In the ordinary course a Minister is simply notified of his appointment, as indicated in draft B. The letter continues by informing the Minister of the salary and allowances attached to his post, and, in ordinary circumstances, concludes by calling attention to the regulation under which the appointment may not exceed, though it may be less than, five years. It is not known what salary and allowances are proposed by your Government, nor whether they intend the contemplated appointment to be for a fixed period.

As regards draft C, this paper contains the principal points on which it is thought that your Government may consider it desirable to issue formal instructions to the new Minister. There is no regular form which would be suitable in the present case, but it is thought that the suggestions made might be of use to your Government in preparing any general instructions to the Minister which they may desire to issue.

I have, &c.,

L. S. AMERY.

Enclosure 1 in No. 79.

A: DRAFT CREDENTIALS.

GEORGE, by the Grace of God, etc., to the President of the United States of America, Sendeth Greeting!

Our Good Friend!

We have judged it expedient to confer the rank of Minister Plenipotentiary upon and to attach him to Our Embassy to the United States of America with the especial object of representing the interests of Our Dominion of Canada.

We request that you will give entire credence to all that Mr. may represent to you in Our Name, especially when he shall assure you of Our esteem and regard, and of Our hearty wishes for the welfare and prosperity of the United States of America.

And so we commend you to the protection of the Almighty.

Given at Our Court of St. James, etc.,

Your good friend,

GEORGE R.I.

(Counter-signature of Secretary of State.)

Enclosure 2 in No. 79.

B: DRAFT FORM OF LETTER NOTIFYING HIS MAJESTY'S MINISTER AT WASHINGTON OF HIS APPOINTMENT.

SIR,

I HAVE to inform you that the King has been graciously pleased to appoint you to be His Majesty's Minister Plenipotentiary at Washington, and to attach you to His Embassy to the United States of America with the especial object of representing the interests of His Dominion of Canada.

[The letter would continue by stating the salary and allowances attached to the post, and the duration of the appointment, if for a fixed term of years.]

* No. 69.

K

Enclosure 3 in No. 79.

C: SUGGESTED POINTS OF INSTRUCTIONS FOR HIS MAJESTY'S MINISTER AT WASHINGTON.

In the case of an appointment of a special nature, such as the present, special instructions are usually given. In the case under consideration, the main points which it seems desirable to cover are the following:—

1. *Nature of Appointment and Powers.*—The instructions would begin by informing the appointee of his position (Minister Plenipotentiary), and of his special duties, the representation of the interests of the Dominion of Canada. It is understood that the Dominion Government contemplate the issue of an Order in Council defining these points. If this is done, reference to the Order might be made in this part of the instructions, and a copy annexed thereto. It would probably also be desirable to add that the Minister will be attached to His Majesty's Embassy at Washington.

2. *Relations with the United States.*—A paragraph should be inserted to the effect that the Minister will be expected to do all which may be convenient and proper to strengthen and improve the friendship and good relations at present happily existing between the British Empire and the United States.

The remainder of the instructions might properly be devoted to drawing the attention of the Minister to points of special interest to the Dominion Government. The principal matters of general interest falling within the ordinary duties of a Minister are the following:—

3. *Treaties.*—The Dominion Government should be kept informed of any proposals on the part of the United States for entering into new Treaties or other engagements with other countries, or for altering or extending old ones. Copies of all Treaties, etc., entered into between the United States and other countries should be sent to Canada.

4. *General Policy.*—The fullest information obtainable with regard to the external policy and internal politics of the country of residence should be regularly forwarded.

5. *Relations with the Diplomatic Corps.*—Formal instructions might contain a paragraph with regard to the desirability of maintaining friendly intercourse with the Ministers of other countries resident in Washington.

6. *Commerce.*—A paragraph might be inserted instructing the Minister that the promotion of commerce constitutes one of the objects of his mission, and that he should give due support and assistance to Canadian British subjects trading with or residing in the United States.

7. *Finance.*—Regular reports should be forwarded on public finance, in the same way as on matters of general policy.

8. *Communications.*—The general instructions would ordinarily contain directions as to the Departments of the Dominion Government to which the Minister is to report, and, if reports are to be sent to more than one Department in what way the division is to be made.

9. *Matters of Immediate Interest.*—In the event of the Minister being required to undertake special negotiations on any particular subject, which is not of a nature permanently falling within his duties, such negotiations might be referred to briefly in the general instructions, with an intimation that special instructions on the subject would be given. This might apply to, e.g., any pending questions relating to fisheries.

10. *Accounts.*—The general instructions might state shortly to what Department the Minister is liable for rendering his accounts.

14780

No. 80.

THE SECRETARY OF STATE to THE ACTING GOVERNOR-GENERAL.

(Sent 12.10 p.m., 24th March, 1920.)

TELEGRAM.

[Answered by No. 82.]

(Paraphrase.)

CANADIAN representation Washington. With regard to form of public announcement suggested in your telegram 4th March* Secretary of State for Foreign Affairs asks that words "reside and" in paragraph 2 and whole of paragraph 3 may be omitted. It would be quite impossible in fact for the new Minister to reside in the present Embassy, and if there is to be any hope of buying a new site at a reasonable price it will be advisable that all reference to question of residence or necessity of building new Embassy be omitted.

As regards the remainder of the statement other than the last paragraph, we think that the following alterations, if acceptable to your Government, would be improvement. For phrase "to provide for Canadian diplomatic representation at Washington" read phrase in Foreign Office telegram No. 208 of 26th February† to Washington, viz.: "to provide for more complete representation of Canadian interests at Washington than has hitherto existed" and instead of the phrase "conduct them direct with United States Government" read phrase in Foreign Office telegram No. 209 of 26th February‡ to Washington "will at all times be the ordinary channel of communication with the United States Government in matters of purely Canadian interest." It is also suggested for the consideration of your Government that it would be well to add sentence as to maintenance of the principle of diplomatic unity of Empire in the sense of the remark made in Foreign Office telegram to Washington No. 209 of 26th February.†—SECRETARY OF STATE FOR THE COLONIES.

15133

No. 81.

THE SECRETARY OF STATE to THE ACTING GOVERNOR-GENERAL.

(Sent 12.45 p.m., 30th March, 1920.)

TELEGRAM.

[Answered by No. 83.]

(Paraphrase.)

CANADIAN representation at Washington.—I would submit for consideration of your Ministers, in view of imminent arrival of new Ambassador who sails April 10th and change of Secretary of State at Washington, whether it might not be advantageous to postpone till Ambassador's arrival suggested visit of Canadian representative to Washington to discuss matters.—MILNER.

17228/S

No. 82.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.30 a.m., 2nd April, 1920.)

TELEGRAM.

[Answered by No. 84.]

(Paraphrase.)

1ST APRIL. With reference to your telegram 24th March,‡ Canadian representation at Washington. As to point of precedence, Canadian Government's

* No. 75

† See No. 70.

‡ No. 80.

understanding is that Canadian Minister who is to be appointed Minister Plenipotentiary should, in accordance with his rank as Minister Plenipotentiary, have precedence in diplomatic corps. Analogous cases are Saxony and Bavaria before the War, since these States maintained Ministers at European Courts concurrently with Ambassadors of the German Empire.

If State Department should not wish to make formal ruling giving precedence to Canadian Minister with the Ministers of other countries they could in the last resort perhaps reach the same result by intimating that they would, as a matter of practice, accord such precedence without calling special attention to it. In view, however, of question being possibly raised in future by Ministers of other countries, it would be much preferable to have formal agreement.

17227/S

No. 83.

THE ACTING GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5.30 a.m., 2nd April, 1920.)

TELEGRAM.

(Paraphrase.)

1ST APRIL. With reference to your telegram, 30th March,* Canadian representation at Washington. Arrangements had been made already for an interview for 1st April between Mr. Polk and Canadian Minister, and in view of uncertainty as to whether the former would be in office at the time of arrival at Washington of new Ambassador it was thought better to adhere to original arrangement. Mr. Rowell accordingly left Ottawa for Washington yesterday.

19973

No. 84.

THE SECRETARY OF STATE TO THE ACTING GOVERNOR-GENERAL.

(Sent 12.45 p.m., 4th May, 1920.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram 1st April,† certain German States, such as Bavaria, were represented before the War by separate Ministers at various capitals, and in such cases Ministers accredited by these States were accorded precedence as independent envoys. These cases were, however, really survivals from a state of previous political separation and Legations were entirely separate from, and unconnected with, Embassy. These German States also retained foreign representatives at their capitals. His Majesty's Minister at British Embassy, Paris, takes precedence as follows: He ranks above Chargés d'Affaires but after Envoys Extraordinary and Ministers Plenipotentiaries who are heads of missions of other countries represented at Paris.—MILNER.

22537/S

No. 85.

THE ACTING GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 6th May, 1920.)

TELEGRAM.

[Answered by No. 86.]

(Paraphrase.)

5TH MAY. My Government has to-day been informed by His Majesty's Ambassador at Washington that he has been verbally notified by United States Secretary of State that United States Government can see nothing but approval of proposal for representation of Canadian interests at Washington. Canadian

* No. 81. † No. 82.

Government suggest in view of Ambassador's telegram that an announcement in conformity with terms set forth in Mr. Lindsay's telegram to Foreign Office of 5th April* last should be made simultaneously to Imperial Parliament and Parliament of Canada on Friday, 7th April [?May]. My Ministers would prefer, in view of difference of five hours in time that this announcement should not be made in London before 8.0 p.m. on that day or otherwise it might appear in Canadian press on Friday afternoon before it was communicated to House of Commons here. Unless they hear to the contrary my Ministers will assume that announcement will be made on Friday at hour indicated above.

22537/S

No. 86.

THE SECRETARY OF STATE TO THE ACTING GOVERNOR-GENERAL.

(Sent 4.15 p.m., 6th May, 1920.)

TELEGRAM.

[Answered by No. 87.]

(Paraphrase.)

6TH MAY. Your telegram 5th May,† His Majesty's Government feel that announcement should be made in Parliament. If announcement is made on Friday it must be at an hour which would be inconveniently early for Canada, as House of Commons adjourns at 5 on Friday. Suggest it should be made on Monday, when we will keep it back till after 8 p.m.—MILNER.

22875/S

No. 87.

THE ACTING GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.15 a.m., 7th May, 1920.)

TELEGRAM.

(Paraphrase.)

6TH MAY. My Government agree that announcement regarding Canadian representation at Washington should not be made until Monday, 10th May.

22997/S

No. 88.

THE ACTING GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 3.5 a.m., 8th May, 1920.)

TELEGRAM.

(Paraphrase.)

7TH MAY. Questions which have recently been raised in your House of Commons and other public speculations regarding Canadian representation at Washington have a tendency to suggest that the Canadian Minister will be subordinate to the Ambassador. In order to prevent misunderstanding in the future Canadian Government accordingly consider it desirable to make clear their understanding of the effect of the arrangement.

It is true Canadian Minister will be next in rank to the Ambassador in the sense that in diplomatic body he will be a member of a lower class or rank; but it is obvious that he cannot be a subordinate taking instructions from Ambassador since he will be responsible to, and take his instructions from, the Canadian Government.

* See No. 88. † No. 85.

As indicated in my telegram 3rd October,* and yours of 28th October,† the two representatives will work together through methods of consultation and constant interchange of views, and any matter which they may be unable to adjust by this method will be referred for settlement to their respective Governments, though this it is anticipated need rarely happen.

You will have seen from Mr. Lindsay's telegrams|| of 4th April and 5th April to Foreign Office that some difficulty was encountered in Washington on the question of precedence dealt with in my telegram of 1st April,‡ and in previous correspondence. You will see from my telegram of 20th December§ that Canadian Government accepted proposal of His Majesty's Government of 28th October as not differing in substance from Canadian proposal of 3rd October, and on clear understanding that the Canadian Minister should have precedence on same basis as Ministers of other countries resident at Washington. My Ministers do not consider it necessary to make further representations of this to Washington at the moment, as they do not anticipate that any real difficulty will arise in actual practice, but in order that there may be no doubt, should question arise in the future, they do think that it would be wise that it should be stated now.

* No. 63. † No. 64. ‡ No. 82. § No. 66.

|| The text of these telegrams was as follows:—

No. 245. Your telegram No. 296. I arranged a conference between Mr. Rowell, Canadian Minister, and Mr. Polk, of State Department. After hearing Mr. Polk's views announcement is proposed which is given in my immediately succeeding telegram.

Phrases omitted from draft announcement as approved by you have been cut out at Mr. Polk's suggestion, as being either implied in first paragraph or as being matters of domestic arrangement which he thought had better not appear in formal announcement.

Before this announcement is made Mr. Polk will take matter up informally with Secretary of State, and I expect will be able to give me assurance that such an announcement will not be unacceptable to United States.

Only point upon which there appears to be real difficulty is that of precedence. Canadian Government is very strongly of view that Canadian representative should have such a rank as would entitle him to precedence according to date of appointment with Ministers of other countries. Mr. Polk's view is that Canadian representative as Minister plenipotentiary would be entitled to precedence only after ministers of other countries, as these ministers are all envoys extraordinary as well as ministers plenipotentiary. He also suggests there might be technical difficulties on State occasions, such as inauguration, in recognizing more than one representative of British Empire, but feels that in actual practice probably no difficulty would arise, and his view is that it is better not to cross bridges before we come to them, and that, if new Minister entered upon performance of his duties, present apparent difficulties would probably vanish.

Polk is still of opinion that it would be better if we did not formally request United States Government to approve arrangement. He will therefore treat my Note of 27th February as a verbal communication returning text of it to me, and after taking matter up with Secretary of State and President, will let me know whether principle of Canadian representative at Washington is agreed to.

Mr. Rowell will report present situation to Canadian Government, who will inform Colonial Office of course of procedure which, in their opinion, ought now to be taken.

Mr. Rowell is cabling Mr. Christie, who is now in London, with reference to matter, and he is requesting him to discuss points raised in this cable with you and Secretary of State for the Colonies.

No. 246. As a result of recent discussions an arrangement has been concluded between British and Canadian Governments to provide more complete representation at Washington of Canadian interests than has hitherto existed. Accordingly it has been agreed that His Majesty, on advice of his Canadian Ministers, shall appoint a Minister plenipotentiary who will have charge of Canadian affairs, and will at all times be ordinary channel of communication with United States Government in matters of purely Canadian concern, acting upon instruction from, and reporting direct to, Canadian Government. In absence of Ambassador, Canadian Minister will take charge of whole Embassy and of representation of Imperial, as well as Canadian, interests. He will be accredited by His Majesty to the President with necessary powers for that purpose.

This new arrangement will not denote any departure either on the part of British Government or of Canadian Government from principle of diplomatic unity of British Empire.

Need for this important step has been fully realized by both Governments for some time. For a good many years there has been direct communication between Washington and Ottawa, but the constantly increasing importance of Canadian interests in United States had made it apparent that

Canada should be represented there in some distinctive manner, for this would doubtless tend to expedite negotiations, and naturally first hand acquaintance with Canadian conditions would promote good understanding. In view of peculiarly close relations that have always existed between people of Canada and those of United States, it is confidently expected as well that this new step will have very desirable result of maintaining and strengthening friendly relations and co-operation between British Empire and United States.

No. 251. My telegram No. 245. I understand Colonial Office suggested to Canadian Government that question of Canadian representation should stand over until arrival of Ambassador. I think, however, it was as well that Canadian Minister came here immediately. As things have turned out, the matter was not so much a negotiation with United States Government as an opportunity for a Canadian Minister to hear the unofficial views of Mr. Polk, and, in view of latter's approaching resignation, there is no certainty of such an opportunity occurring three weeks hence.

As to terms and method of announcing decision arrived at between His Majesty's Government and Canadian Government, all Mr. Polk's (? view) was in direction of urging that statement to be made should, so far as possible, make it appear that Canadian Members of (? Embassy) are to be undistinguished from British staff, or, at any rate, such that State Department should be able to maintain that, so far as they were concerned, such was the case. My own language to Mr. Rowell was openly and avowedly in same sense. Mr. Rowell quite appreciated the reasons for this point of view, but (? from his omitted) knowledge of Canadian public opinion was naturally unable to accept (? all his) suggestions. Text we finally telegraphed to you was acquiesced in by Mr. Polk, who will, after consulting Secretary of State and President, inform me semi-officially whether United States Government have any objection to procedure indicated. Statement does not, in my opinion, entirely obviate the danger of intrigues being started here to have a United States Minister appointed at Ottawa, or otherwise to bring about a schism in the Empire or its representation, but, judging by Mr. Rowell's full appreciation of these dangers and his anxiety to avoid them, I imagine it to be not less than the minimum that would satisfy Canadian opinion.

On question of precedence of Canadian representative there was great difficulty. Mr. Polk was very frank on the difficulty the United States Government would have in according him the rank accorded to Envoys representing independent States, though he was quite willing to examine any precedents to enable him to receive higher precedence than that accorded to Ministers Plenipotentiary, that is, immediately after Envoys Extraordinary. Doubtless you will discuss with Mr. Christie how far position of Bavaria before the War affords a precedent. Mr. Polk's recommendation was that no attempt should be made now to arrive at a hard and fast decision, but that Canadian representative should come to Washington, and that we should trust to process of evolution to find some way out of the difficulty. Mr. Rowell appreciated this point of view, but felt strongly that Canadian public opinion would, with difficulty, tolerate an arrangement under which their representative should on all occasions rank below the representatives of Central American Republics. You will learn direct from Canadian Government whether they can accept Mr. Polk's suggestion.

Addressed to Foreign Office. Repeated to Canada.

22875/S

No. 89.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 6.0 p.m., 10th May, 1920.)

TELEGRAM.

(Union of South Africa.)
(Commonwealth of Australia.)
(New Zealand.)

10TH MAY. Following statement will be made in Parliament* to-day and in Canada†:—

"As a result of recent discussions, an arrangement has been concluded between the British and Canadian Governments to provide more complete representation at Washington of Canadian interests than has hitherto existed. Accordingly, it has been agreed that His Majesty, on the advice of his Canadian Ministers, shall appoint a Minister Plenipotentiary, who will have charge of Canadian affairs, and will at all times be the ordinary channel of communication with the United States Government in matters of purely Canadian concern, acting upon instruction from, and reporting direct to, the Canadian Government. In the absence of the Ambassador,

* Hansard, Vol. 129, No. 205.

† See No. 91.

the Canadian Ministers will take charge of the whole Embassy and of representation of Imperial, as well as Canadian interests. He will be accredited, by His Majesty, to the President with necessary powers for the purpose.

"This new arrangement will not denote any departure, either on the part of the British Government or of the Canadian Government, from the principle of diplomatic unity of the British Empire.

"Need for this important step has been fully realized by both Governments for some time. For a good many years there has been direct communication between Washington and Ottawa, but the constantly increasing importance of Canadian interests in the United States had made it apparent that Canada should be represented there in some distinctive manner, for this would doubtless tend to expedite negotiations, and naturally first-hand acquaintance with Canadian conditions would promote good understanding. In view of the peculiarly close relations that have always existed between the people of Canada and those of the United States, it is confidently expected, as well, that this new step will have the very desirable result of maintaining and strengthening friendly relations and co-operation between the British Empire and the United States."—MILNER.

No. 90.

HOUSE OF COMMONS.

10th May, 1920.

SIR D. MACLEAN: May I ask the Leader of the House whether he can make any announcement with regard to the diplomatic relations between the Dominion of Canada and the United States?

MR. BONAR LAW: I may explain to the House that the reason I am making this statement now, instead of at question time, is that we desire that the announcement should be made simultaneously in the British and Canadian Houses of Commons.

[The statement is printed in No. 89.]

27323

No. 91.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3rd June, 1920.)

(No. 331.)

MY LORD,

Government House, Ottawa, 15th May, 1920.

I HAVE the honour to transmit, herewith, copies of the Unrevised Hansard of 10th May,* reporting the announcement in the House of Commons that His Majesty will accredit a Canadian Plenipotentiary to the United States.

I enclose cuttings† from the *Montreal Gazette* and the Ottawa papers commenting on the announcement.

You will observe that the Leader of the Opposition asked that the correspondence in the matter be tabled at the earliest possible moment, and when this is done the matter will probably be discussed at some length in the House.

I have, &c.,

DEVONSHIRE.

* Extract only printed here.

† Not reprinted.

Enclosure in No. 91.

CANADIAN MINISTER PLENIPOTENTIARY AT WASHINGTON.

ANNOUNCEMENT THAT HIS MAJESTY WILL ACCREDIT A CANADIAN PLENIPOTENTIARY TO THE UNITED STATES.

RT. HON. SIR GEORGE FOSTER (Acting Prime Minister): Mr. Speaker, I desire to make a statement which, from the importance of its character, I shall read, with the permission of the House. It has reference to negotiations which have for some time been going on between the British and the Canadian Governments in respect of Canadian representation at Washington. The negotiations have been concluded, and to-day a statement will have been made in the House of Commons in London, and I desire that the House of Commons here shall have cognizance of the matter at the same time. [Here follows statement printed in No. 89.]

HON. MACKENZIE KING (leader of the Opposition): Inasmuch as the right hon. Acting Prime Minister (Sir George Foster) has asked the permission of the House to make a statement, I should like to ask the House to give me permission to say a word with reference thereto, if not now, then on the first appropriate occasion.

MR. SPEAKER: I feel sure that the House would be only too happy to give the hon. the leader of the Opposition (Mr. Mackenzie King) an opportunity to give expression to his views on the memorandum just read, but I do not think it is desirable that there should be any general debate on the subject unless there is some specific motion before the House. Is it the pleasure of the House that the hon. the leader of the Opposition shall have liberty to speak.

SOME HON. MEMBERS: Carried, carried.

HON. MACKENZIE KING: I wish to ask my right hon. friend if he will be good enough to see that all the correspondence in reference to this matter is laid on the Table at the earliest possible moment. My purpose in rising now is not to refer at the moment particularly to the far-reaching and important step the Government has taken but rather to express surprise that Parliament has not been acquainted with the correspondence in reference to this matter before the whole matter was finally concluded. If I understand the announcement which my right hon. friend has just made, it is to the effect that the whole transaction is finally settled as between the British Columbia Government, the Canadian Government and the United States Government, and Parliament has had no opportunity whatever of giving any consideration to the matter in its far-reaching inter-Imperial and International bearings. I think that is not the course which the Government should have taken. Parliament should have been fully apprised of and given opportunity to discuss the essential matters relating to this far-reaching step before the Government came to any final decision in connexion with it.

SIR GEORGE FOSTER: As this is not the time for discussion I do not propose to enter into the second part of the question raised by my hon. friend (Mr. Mackenzie King). I would merely say that all the available papers in connexion with the negotiations will be brought down as quickly as possible and presented to the House.

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No. 92.

EXTRACT FROM DEBATE OF THE CANADIAN HOUSE OF COMMONS.

17th MAY, 1920.

MINISTER PLENIPOTENTIARY OF CANADA AT WASHINGTON.

ON motion of Right Hon. Sir Robert Borden (Prime Minister) for Committee of Supply.

HON. W. S. FIELDING (Shelburne and Queens): Mr. Speaker, I avail myself of this motion to invite the attention of the House for but a few minutes to what I regard as a question of large importance. I refer to the negotiations which seem to be in progress respecting the representation of Canada at Washington.

During the War a number of business men were sent to the United States, appointed to what was called a War Mission, whose business in that country was to endeavour to obtain for Canada a share in the large volume of contracts that were being made for munitions of war and for supplies. I believe that the Mission discharged that duty in a way that brought a great deal of business to Canada, and

that its work in that respect was eminently successful. At the last session of Parliament an appropriation of \$50,000 was asked for that Mission, and associated with that in the item was, "Representation of Canada at Washington." I am inclined to think that what was contemplated by the Government at that day must have been materially different from the larger project of which we know a little, but very little, at the present stage.

Let me say frankly that my own observation and my own experience in relation to transactions of public business between Ottawa and Washington lead me to entertain great doubt as to the wisdom of the step that the Government are taking. I am afraid that it means that at a time when everybody is talking of the need of economy—at a time when many worthy projects are turned down because the Government say they cannot find the money for them—at such a time I am afraid that the Government are plunging into a form of expenditure which promises but little substantial good for Canada, but which is full of possibilities of future trouble. But while I give that in passing as my own impression, I wish it to be distinctly understood that I give it only as an impression and one for which I alone am responsible. I realize that the question of representation at Washington is one on which there may be differences of opinion, not unlikely on both sides of the House. I take it for granted that at a later day opportunity will be afforded for a wider discussion of the question. I do not propose at this moment to enter into the wider question of whether or not it is expedient to have representation for Canada at Washington. I quite realize, as I have said, that there are differences of opinion on that subject, and I myself feel that for lack of information we should all be disposed to reserve a final judgment until we are better informed. I do not ask the House to associate itself with the impression I have given. But I do think there is a point upon which the House might well take strong ground, and that is that in a matter of such large importance this Parliament is entitled to be furnished with more information than it has received in this connexion.

There has been a great deal of talk from time to time of what is called government by Order in Council. More than once during this session, and not on this side only, members have expressed the view that there was too much government by Order in Council. There is, I am afraid, a tendency in our Parliamentary system—I believe that students of English politics have found the same there—to magnify the power of the Cabinet and to minimize the power of Parliament; and that is a tendency which we should guard against. The Cabinet, after all, is only a Committee of Parliament, and beyond that we should not be prepared to give it unlimited power. There are times, I know, when a Government must determine things promptly. An emergency may arise; a crisis comes; the Government must act promptly; it must come to a decision and trust to Parliament to justify it later. There is another set of circumstances under which a Government may be justified in feeling that they have public opinion behind them. After a question has been discussed for a long time in Parliament, on the platform and throughout the country, a Government may feel that they have a clear knowledge of public opinion which will enable them to reach conclusions without taking Parliament into their confidence until a later stage. But there are no such conditions here. There is no emergency; there is no crisis; there is nothing in connexion with this Washington business so far as Canada is concerned which could suffer if it were delayed for a week, a month—aye, for a year; and the Government by Order in Council which might have been justified in time of war cannot be justified in time of peace.

Then, as to the second point. I have said that there may be occasions when a Government is justified in making up its mind that it has public opinion behind it, after there has been a long discussion, perhaps an agitation—debates in Parliament, discussions on the platform. All these conditions, I say, which may create a ground upon which a Government may feel that it has public opinion behind it. But there is no such condition here. There has been practically no discussion of this Washington business, beyond a brief reference to it in the last session; there has been no debate at all. There has been no resolution of this Parliament setting forth that we were dissatisfied with the present state of affairs. There has been no discussion on the public platform. No candidate has presented himself to the electors of Canada on the ground that he wants a definite representation of Canada at Washington. In all these respects, then, there is nothing to justify the Government in coming to a hasty conclusion. Nevertheless it would seem from the little information that we have, that the Government are disposed to reach a conclusion without taking Parliament into their confidence.

I have said that it appears that the project the Government now have in hand is larger than was in their mind a year ago. When the item of \$50,000 was voted, to which I have referred, the Minister in charge, the President of the Privy Council (Hon. Mr. Rowell) stated that they were about winding up the business of the War Mission, but that it was intended to have a permanent representative at Washington whose range of duties would be somewhat wider than that of the Mission. Then the question of expense was mentioned, and he said that the cost of the War Mission had been from \$4,000 to \$5,000 a month. I quote my hon. friend's words:

The present expenditure in connexion with the Mission is between \$4,000 and \$5,000 a month. We do not anticipate that the permanent representation will exceed that amount.

So it was evident that at that time a very modest project was in the mind of the Minister. But what do we find to-day? Not only do we find a much larger scheme, indicated by the memorandum read the other day by the Minister of Trade and Commerce (Sir George Foster); we find that the modest appropriation of \$50,000 last year has already jumped to \$80,000 in the Estimates of the present year. I venture to say that if the project be carried out it will be found at no distant date that much more than \$80,000 will be needed to meet the expenses.

Now, I have stated, Sir, that my own impressions of this matter are not favourable, but I want to emphasize the fact that I am not asking the House to join me in that. I am reserving these impressions for consideration at a later day if that be necessary. But I want to urge very strongly that in a matter of so much importance Parliament is entitled to have received in a larger degree the confidence of this Government. I say that in a matter of so much gravity, for the Government to withhold information and proceed to commit the country to this new scheme at Washington, is a step which Parliament ought to look upon with very grave suspicion. It is a matter of large importance. It is of financial importance, for I am satisfied that even the \$80,000 which is asked this year will be found quite inadequate to the maintenance of the proper dignity of Canada's representative as proposed at Washington. But it is important in another respect; it is important in its relation to our communications with the United States. It is important in its bearing on our relations with the Mother Country. It is important in every respect; it comes nearer to being a constitutional change than any of the various matters which have recently been brought to the attention of the House. For all these reasons, on an important matter, on a matter which is not urgent nor pressing, on a matter which affords every opportunity for preliminary consideration and reflection, it would be a wise policy for the Government to halt in their proceedings, and, before they go further, to bring the whole matter fully before the Parliament of Canada, in order that we may be able to exercise sound judgment on the subject. For that reason, without dwelling on the matter further, and with the full understanding that at a later stage on the main question, if necessary, I shall be permitted to discuss this matter further, confining myself at present entirely to the question of Parliamentary procedure, I move:

That all the words after the word "that," to the end of the question, be left out and the following words be inserted instead thereof:

"This House desires to record its opinion that before any arrangement respecting the permanent representation of Canada at Washington is consummated, the House should be fully informed concerning the negotiations between the Canadian, Imperial and United States Governments, and all correspondence and Orders in Council on the subject should be submitted to the House."

HON. N. W. ROWELL (President of the Council): I am sure hon. members have listened with interest to the remarks of my hon. friend (Mr. Fielding) who has moved this amendment. I may congratulate my hon. friend on one point of his remarks at least—that is that, after persistently denying for a year and a half or two years in this House and in the press that Canada's status had been modified in any degree whatever, he to-night acknowledges the fact that there is some modification and improvement in our status, as shown by the step that has been taken.

My hon. friend's criticism of the action of the Government appears to be based on three grounds: First, that there is no occasion for such an appointment, that no conditions exist which call for it; second, that there is no public opinion in the country behind such an appointment; and, third, that before any arrangement is consummated, all the facts should be submitted to the House.

Dealing briefly with these points in the order in which they are raised by my hon. friend, let me say with reference to the first, that my hon. friend and the other members of the House have only to recall conditions existing between two great countries, having a boundary line 4,000 miles in extent, and in which for many years the chief work of the British Ambassador at Washington related to Canadian affairs, to realize that Canada has important and vital interests which require the attention of a representative of Canada. My hon. friend has conceded that during the period of the War Canada required representation at Washington, and that we were represented by business men who did a fine piece of work for Canada. I am sure my hon. friend realizes the fact that the largest part of the external trade of the Dominion of Canada is with the great nation to the south. Does he realize that the great nation to the south has a larger trade with Canada than with all the republics of Central or South America? We are one of the very largest customers of the United States, and the United States is the country with which we in Canada have the largest trade. There are not only the conditions of trade, but other questions do and must invariably arise between two nations geographically so closely and intimately related as the peoples of our two countries, calling for the attention of a Canadian minister.

What are the objects of having a representative at the capital of another state? To safeguard and protect the interests of the people of the country concerned. Does any hon. member doubt that a Canadian, possessing the intimate knowledge which a Canadian should of Canadian affairs and trade conditions, is better qualified to look after Canadian interests than a man who has not that knowledge or experience? Surely no hon. member will question that fact? That being so, I do not think hon. members will question that it is in the interests of Canada that we should have in the great capital of the neighbouring nation a Canadian to look after our rights and interests there. I do not wish to mention questions that are coming up. Hon. members have only to recall questions that arise from week to week and from month to month which are provoking discussions in the press of the United States and in the press of Canada, to realize how important it is that we should be in a position to communicate directly with the American Government, to represent the views of the people of Canada to that Government through our representative at the capital at Washington in order that the rights and interests of the people of this country may be properly guarded and protected in the premises. In saying this, I have nothing but words of appreciation for the conduct of the different British Ambassadors at Washington. They have sought to place themselves in touch with Canadian matters; they have put forth every effort to represent fully and adequately our views so far as it has been possible for them to do so. In what I have said about the importance of Canadian representation, I do not wish that any implication should arise that the British Ambassadors who have been present at Washington have not put forth every effort to look after Canadian interests there.

My hon. friend's second contention was that there is no public opinion behind this change. The difficulty with my hon. friend in this respect is that he has such an incurable obscurantism on all matters concerning Canada's status, that he is unwilling to see the evidence of public opinion in this country on this matter. I could turn to the press of Canada and the Canadian newspapers from the Atlantic to the Pacific, with the possible exception of the journal so ably edited by my hon. friend, have been discussing this matter for the past year and a half. My hon. friend says that there is no public opinion behind this change. Let me draw attention to one of the leading newspapers of Western Canada about which I know, because the matter has been drawn to my attention, and I am not sure that what I say of this one paper is not equally true of other newspapers in Western Canada. Every one recognizes the influence of the *Winnipeg Free Press* as an exponent of public opinion in Western Canada, whether one agrees or disagrees with it. From the time this question was raised that paper has been explaining and expounding the question, urging that the time had come when such a representative should be appointed, and stating that it was the duty of Canada to see that such a representative should be appointed. Let me instance the leading papers of Ontario, the *Toronto Globe*, the *Mail and Empire*, the *Star*. I am not sure about the *Telegram*.

MR. CASGRAIN: Are they your newspapers?

MR. ROWELL: The *Toronto Globe*, the *Mail and Empire*, and the *Star* have all been strongly advocating the appointment of a Canadian representative. I am not sure but what the same thing is equally true of the *World*, although my attention

has not been called to the position of that particular paper, while it has been called to the position of the other papers. Although I have not gone through the press with a view of getting at the facts, I am quite sure if you examine the newspapers of Canada from the Atlantic to the Pacific, you will find that this question has been discussed for a year and a half at least, and that the overwhelming expression of opinion, as voiced through the press, has been strongly in favour of the proposal which the Government has now consummated.

Then my hon. friend says: There is no public opinion, public opinion has had no opportunity to register itself. In that respect I should just like to draw my hon. friend's attention as to what has actually been placed before the Parliament of Canada. In the first session of last year the Estimates were laid on the table of the House on the 19th of March. An item was included providing the sum of £50,000 for the Canadian War Mission and representation at Washington. That estimate came up for the consideration of the House on the first day of April.

MR. FIELDING: A suitable day.

MR. ROWELL: My hon. friend says "a suitable day," because he has such an idea of Canada, of her position and her future, that he has not yet been able, since these discussions arose, to take the broad-gauge view of Canada's position and her place in the Empire. I appeal to my hon. friends: Have faith in your country, have faith in her people, have faith in their ability to look after their country's interests when the need arises.

MR. BUREAU: Legislate them good.

MR. ROWELL: It would take a good deal of legislation to make my hon. friend good.

MR. BUREAU: Don't use your own yard-stick in judging others.

MR. ROWELL: Turning again to the question of public opinion, this matter came up in this House on the first day of April, and my hon. friend who was then leader of the Opposition (Mr. McKenzie) suggested that the matter should stand over for further consideration. On that occasion my hon. friend the member for Maisonneuve (Mr. Lemieux) asked the question of me—I was in charge of the estimate—whether it was the intention of the Government to appoint a representative at Washington.

MR. LEMIEUX: Be careful there.

MR. ROWELL: I will read my hon. friend's words.

SOME HON. MEMBERS: Question, question.

MR. ROWELL: I do not wonder that my hon. friends are getting a little impatient, because they should know that on this matter the Government is carrying with it, without a shadow of doubt, the judgment of the people of Canada. This matter came up on the 1st of April, and my hon. friends will find a reference to it on page 1074 of Hansard. In answer to the question that it should stand, I stated:

It is an item that involves an important principle and will stand some discussion.

Then my hon. friend the member for Maisonneuve asked for information on it, although it was agreed that it should stand over. He asked:

Has there been any correspondence exchanged between this Government and the Imperial authorities with regard to representation at Washington?

Then he goes on to say that the question came up while Sir Wilfrid Laurier was in power, and that Sir Wilfrid Laurier had the idea of appointing a representative at Washington, but that the matter had dropped.

MR. LEMIEUX: A representative at Washington?

MR. ROWELL: What my hon. friend stated was:

as Commissioner at Washington, having the same status as our Canadian Commissioner at London.

MR. LEMIEUX: Hear, hear.

MR. ROWELL: Then he goes on to say that the proposal did not eventuate, and he asked what the situation then was. Though it was agreed that the matter should stand over, I stated that the item in the Estimates was to make provision:

For a permanent representative at Washington. The exact form which that representation will take is a matter of consultation between the Prime Minister and the Imperial Government. . . . The intention is to continue the present Canadian War Mission in existence until the arrangements are made for a permanent representative. The moment those arrangements are

concluded the War Mission will go out of existence, but we do not consider it expedient that there should be an interregnum between the end of that Mission and the appointment of a permanent representative. That is the object of inserting this item in the Estimates.

My hon. friend then made a suggestion as to who would be a good representative, and congratulated the Government on the proposal.

That announcement, Mr. Speaker, was passed from one end of Canada to the other through the public press. It also went over to England and was the occasion of certain questions being asked in the English House of Commons. At the request of the then leader of the Opposition, as I have already intimated, it stood over for consideration and discussion, and it was not called up again for five weeks, until the 5th of May. So if any hon. members desired to formulate any views in reference to this matter, they were given an abundant opportunity to do so; they were given nearly five weeks in which to consider the matter before the question was again called up. Did hon. members on that occasion protest against the necessity of appointing a representative at Washington? According to my recollection not one member on the other side of the House raised a protest. The matter was before the House all through the spring session, and unless I am mistaken my hon. friend the member for Shelburne and Queen's (Mr. Fielding) said not a word about it from the beginning to the end of the session. Other members on the Opposition side did, but generally speaking, their words were words of congratulation on the action which the Government proposed.

Lest there should be any misunderstanding, I was asked specifically on that occasion what was involved in the appointment. I think it was the hon. member for Brome (Mr. McMaster) who asked whether the Canadian representative at Washington would have diplomatic standing, and whether he would be entitled to conduct negotiations direct with the American Government, and my answer was that I believed that so far as concerned purely Canadian affairs he would conduct negotiations direct with the American Government, and so far as concerned matters that were not purely Canadian, they would be dealt with in co-operation with the British Ambassador. That was the effect of my statement made on that occasion, on the 5th of May, 1919. That is the exact effect of the statement made to the House by the Acting Prime Minister (Sir George Foster) on Monday last. The principle was clearly laid before the House last year, before the Government asked the House to vote the amount in supply. If hon. members did not appreciate its significance, the Government and members on this side of the House are not responsible for that. If hon. members did not take advantage of that occasion to express their views on the matter, if they had any criticism to offer, hon. members on this side of the House are not responsible. The Government had every reason to believe that they had not only the people of Canada behind them, but a united Parliament, in the action they were about to take.

My hon. friend from Shelburne and Queen's (Mr. Fielding) has said: But you should not have done this by Order in Council. When my hon. friend says that we should have submitted something further to the House than we have submitted I confess I am at a loss to understand just what he has in view. We have passed no Order in Council in connexion with this matter. Nothing so far has been done by Order in Council in connexion with this matter. The Government's legislative section and authority to take action during the year was the estimate voted last session; the Government's legislative sanction and authority for action now will be the item contained in the Estimates this session. The item last session passed the House, was concurred in, and formed part of a Bill of Supply which was passed unanimously, and the Government had the full sanction and authority of Parliament for continuing the negotiations in order to reach a conclusion on the matter.

Not only was the matter up then. It came up a few days later, on 8th May, 1919, when my hon. friend for Maisonneuve (Mr. Lemieux), referring to a despatch which appeared in the papers reporting a question asked in the Imperial House of Commons, inquired in reference to the appointment of a Canadian representative at Washington, and then suggested that possibly as that representative would only be a commercial representative or agent, it was not necessary to consult the Imperial Government with reference to the appointment. My reply to his question will be found on page 2202 of Hansard of 8th May, 1919, and is as follows:

The Canadian representative at Washington will be very much more than the Canadian agent. His status will be very different from the status of the Canadian representative in Paris or London. Therefore there is consultation

with the Imperial Government with reference to the appointment. I stated the other evening that confidential communications had been held between the Prime Minister of Canada and the Imperial Government in reference to this matter, but that these were not yet concluded, and that when they were the House would be advised of the whole purport of them.

Could there be any clearer statement made to the House as to the character of the negotiations that were being carried on? And yet not one member on the Opposition side of the House questioned our proceeding with the negotiations along the line I have indicated, and the spring session of 1919 concluded with not a real word of criticism or of protest after that date. Can my hon. friends, after the matter having been submitted to Parliament as I have mentioned, and after their having failed to offer any real opposition to it or any real criticism of the Government for continuing and concluding the negotiations, with any degree of fairness, now seek to criticize the action of the Government in doing what the Government then intimated they were about to do?

The Government continued the negotiations and concluded them. At what date, Mr. Speaker, would my hon. friend say that the Government should have brought this matter again before the House and asked the sanction of Parliament? How could we bring it before Parliament any further than we did until an understanding was arrived at? In confidential negotiations of that kind we could not bring down a partial understanding. The negotiations were necessarily confidential between the British Government and this Government, particularly as they affected representation at another court. It would have been just as reasonable if my hon. friend (Mr. Fielding) had been criticized in 1911 and told: "You should not have concluded an agreement at Washington until you first submitted your proposals to the House and had the sanction of Parliament." My hon. friend did what was the reasonable thing to do if the Government of the day was prepared to take the responsibility for it. He went ahead and concluded the agreement and then submitted it to Parliament, as that agreement had to be submitted, for it affected the changes in the tariff. That is exactly what the Government did in this case, but they did more—they brought the matter down a year ago while the negotiations were in the early stages and laid the principle of it before the House, they took a vote of the House in respect to it, and there being no opposition they had the mandate of the House to go on with the negotiations.

The Government have now concluded an understanding embodied in the statement made to the House by the Acting Prime Minister, and the House will be asked to give its legislative sanction to that understanding when it is asked to vote the item in Supply which will come up in due course. What arrangement could be fairer? How could the Government take the House more fully into its confidence than it has done in a matter of this kind? I submit that my hon. friend's criticism is wholly beside the mark and does not touch this grave and important step in Canadian representation and constitutional development.

One word more, Mr. Speaker, I am sure my hon. friend must realize, if he is a student of constitutional history, that the conduct of foreign affairs is the especial prerogative of the Crown; and when I use the word Crown, I am using it in the sense in which it is used under our constitution: the Crown advised by its constitutional advisers. It is the duty of the Government to carry on these negotiations and to reach a conclusion on them, and there is no obligation to consult the House before they reach a conclusion; in fact, the conduct of foreign relations would, I submit, be impossible, if the Government went further than they have done in the present case. They laid the principle before Parliament; they had parliamentary approval of it; they went on and negotiated an understanding; they have informed Parliament of the nature of that understanding; they have submitted an estimate to the House in order that Supply may be voted to maintain and support the representative thus established.

The Government has followed true constitutional practice and precedent in the course it has taken. My hon. friend's criticism of the Government's course, I submit, is unfortunate in this respect; it may give rise to the impression that there is a real difference of opinion among Canadian people upon this question. I do not believe, Mr. Speaker, that there is any real difference of opinion in Canada upon this question. I believe that the overwhelming mass of our people are in favour of the proposal and look upon the step taken by the Government as one distinctly in the interests of Canada, and, I believe, also in the interests of the British Empire. It

means that Canadian affairs at Washington in future, when the representative is appointed, will be conducted by a Canadian direct with the American Government. And I can only repeat that I am sure that is a step that our people desire to have taken. We cannot always remain in a dependent position having our affairs looked after and managed by other people.

MR. LAPOINTE: Hear, hear.

MR. ROWELL: My hon. friend says, "Hear, hear." I hope he will say, "Hear, hear" with equal emphasis when I say—that we are not going to change our settled allegiance to the King and cut the tie that binds us to the Mother Country in order to obtain the management of our own affairs.

MR. LAPOINTE: Hear, hear.

MR. ROWELL: We are going to do two things—manage our own affairs and maintain the unity of the British Empire. We believe that we are entitled to manage our own purely Canadian affairs within the British Empire, and that is what this policy implies and involves. In so far as it does involve a constitutional departure—and I agree with my hon. friend that it does involve a constitutional departure—it is the logical and inevitable development of what has been taking place in this country for the past five, ten, twenty, thirty years; it is the logical and inevitable development of the work of our soldiers overseas, of our status under the Peace Treaty, and of the present position of Canada within the British Empire and in the world.

In the course the Government has taken, just as at the Peace Conference, the Government are carrying out not only the judgment of Parliament but the judgment of the people of Canada. For, whatever my hon. friend may say to the contrary, Canada is to-day associated with the Mother Country and the other Dominions in a great League of Nations under a common sovereign—the strongest and most influential factor for the preservation of the world's peace that exists to-day. And it is of vital moment that good relations should be preserved between Canada and the British Empire as a whole and the United States, the other great branch of the Anglo-Saxon race. Good relations between these two countries are not only important so far as they affect Canada and the Mother Country, they are important so far as they affect the future peace of the world. There is no better way to maintain a good understanding than by being able to meet men face to face, to talk over problems in which you are both interested, and to supply full information, for the majority of international, as well as personal, misunderstandings, spring from a lack of knowledge and a lack of appreciation of the viewpoint of the other. I believe that a Canadian representative in Washington, meeting and talking with representatives of the American Government and dealing with problems common to both, will make for strengthening the good relations that now exist between the two countries, will make not only for their maintenance in the future, but should help to remove some of the misunderstandings that from time to time arise between some people in the United States and some people in the Mother Country. The whole effect should be to strengthen and bind together nations having so much in common in their history, in their traditions, in their ideals and in their common love of democratic government and free institutions.

MR. ERNEST LAPOINTE (Quebec East): Mr. Speaker, I rise to support the amendment moved by the hon. member for Shelburne and Queen's (Mr. Fielding), namely, that all the papers concerning this change should be brought before Parliament and that the question should be fully discussed before a final decision is taken. My hon. friend the President of the Privy Council (Mr. Rowell) has certainly not given all the details that are necessary to enlighten the House as to the meaning of the change that is being made. We are just as much at sea as ever after the speech delivered by my hon. friend. We were told in the official statement that was given to the House a few days ago that this change is practically no change at all. Here are the words of the statement:

This new arrangement will not denote any departure either on the part of the British Government or of the Canadian Government from the principle of the diplomatic unity of the British Empire.

Yet, we are told that this appointment to Washington involves a very important change—the President of the Privy Council having used the words "very important departure." The language is certainly ambiguous, as all diplomatic language is, and I think I am within the mark when I say there are not five members of this House who really know the meaning of the change that is being made by this proposal.

My hon. friend says that Parliament was consulted last year when an estimate was voted for a certain amount, and that my hon. friend from Maisonneuve (Mr. Lemieux) at that time approved of the step. The very few words uttered by my hon. friend from Maisonneuve indicate that he understood, as we all did at the time, that the proposal was to appoint a trade commissioner at Washington. The President of the Privy Council at that time said that it was to continue the work done by the trade commission which had been in Washington during the War, and my hon. friend from Maisonneuve said that it was even more important to have a commissioner in Washington than in Paris or even in London. Will the President of the Privy Council say that it is only a trade commissioner that is going to be appointed to Washington?

MR. ROWELL: I stated then clearly that it was a great deal more. If my hon. friend will turn it up in Hansard he will see it.

MR. LAPOINTE: But my hon. friend will admit that it was understood by the House at that time that the work of the representative was to continue the operations of the trade commission in Washington. Surely the voting of that sum did not mean that Parliament had decided on such an important question as this. As far as I am concerned, I will readily admit anything that looks like national self-assertion, anything which advances Canada along the road of nationhood, appeals to me. As General Smuts said last year, in a figurative way: "The British Empire ended in July or August, 1914," that is, that all the countries under the British flag are sister nations, the word "Empire" meaning a dominant state with subordinate states. But we must know exactly where we are going, because the body that is responsible to the Canadian people for any such important step as this is the Canadian Parliament and not the committee of the Privy Council. If we are to accept the words of the official statement that was made to the House this may be a very important change although later on it is said there has been no constitutional departure. This statement reads:

Accordingly, it has been agreed that His Majesty, on advice of his Canadian ministers, shall appoint a Minister Plenipotentiary who will have charge of Canadian affairs and will at all times be the ordinary channel of communication with the United States Government in matters of purely Canadian concern, acting upon instructions from and reporting direct to the Canadian Government. In the absence of the Ambassador the Canadian minister will take charge of the whole Embassy and of the representation of Imperial as well as Canadian interests. He will be accredited by His Majesty to the President with the necessary powers for the purpose.

There is no better constitutional authority than Professor Keith, and here is what I read in his work "Responsible Government in the Dominions," page 1133 volume 3:

It would be a completely different thing to approve direct communications on political matters or the direct negotiation of treaties proper, and it would clearly be in theory a termination of the existing unity of the Empire, and the fundamental alteration of its constitution.

The same author in his recent work "Imperial Unity and the Dominions" speaks as follows, page 297:

It would be hopelessly expensive for any Dominion to duplicate the system of consuls, and even if the men were appointed they could not receive any consular status, as the right to appoint consular officers is one which appertains only, and is accorded in treaties solely, to the sovereign power in the Empire. If it were desired to give them consular status, this could indeed be done by securing their appointment by the Crown as His Majesty's consuls for Canada, or whatever other Dominion was concerned, but such an appointment would mean that the holders of office were appointed on the advice of the Imperial Government, and would have to be subjected to the control of the Imperial Government, since that Government would be responsible for them vis-à-vis the foreign Government, as it is not now responsible for mere commercial agents.

The same result can be attained more effectively and easily and much more cheaply, by the use of British consuls by the Dominions, who can pay if necessary any extra clerical expense caused by their employment. The same consideration, it may be added, applies to the representation of the Dominions by diplomatic officers in the foreign capitals: These officers could not, as long as the Empire is constituted as at present, be other than appointees of the Crown on the authority of the Imperial Government.

Mr. Curtis, who is a great Imperialist, in his important book, "The Problem of the Commonwealth" takes the same position, and says:

For, when trying to protect their subjects against disorder, the British Government would be obliged to say that Canadians were no longer included in that description. It would have to declare that Canadians had ceased to be British subjects, and the Canadian Government would have to admit that declaration. These consequences are such as no human ingenuity can change or evade. For all British subjects control of their foreign relations must rest in the hands of one Government only. Any section of British subjects who transfer that final authority to a government special to themselves and different from the government which decides those issues for other British subjects, in doing so renounce their status as such. To reconcile a common citizenship with allegiance to two different states is no more possible than to construct a triangle of which two sides are together less than the third.

This method, therefore, of completing the achievement of responsible government by the Dominions, so much in harmony with the process already followed, and so simple in its inception that it needs but a few strokes of the pen, is one which involves the least moderate change in the condition not only of the Dominion itself, but of all its citizens. It leads not merely to reform but straight to disruption of the Commonwealth—to consequences of the most revolutionary kind; and that, no doubt, is the principal reason why no Dominion Government has ever attempted to follow it. To argue whether they should follow it or not is beside the purpose of this inquiry. The people of the Dominions must settle that for themselves. Here we are simply concerned to discover the most moderate reform which will give them the same responsibility for their foreign affairs as the people of Britain, and to show that this particular method, though simple in appearance, involves revolution and not reform is enough for that purpose.

MR. DEVLIN: On what page is that to be found?

MR. LAPOINTE: At page 130. Mr. Curtis, recognizing the natural desire on the part of citizens of the Dominion to have a voice in the control of their own affairs, even foreign affairs, indicates only two methods of arriving at that solution. He says, first you must have either an Imperial Council, or an Imperial Cabinet, composed of ministers of the different Dominions as well as of the Mother Country. The other solution he indicates is an Imperial Parliament—all the apostles of Imperial Federation have advocated the same scheme—and he says it is the only solution for the Dominions, if they want to have a voice in foreign affairs. The only other alternative is independence, and, of course, he deprecates this mode of arriving at a solution of the question. Now if men, able men, students of constitutional affairs, men who desire a solution of the constitutional relations between the Mother Country and the various parts of the Empire, state that the only way for the Dominions to have a voice in their foreign affairs—if they do not desire independence—is the establishment of an Imperial Parliament which will have the control of all those representations in the foreign country, I say that such a step as the one which has been adopted should have been submitted to Parliament for full discussion before it was entered into. That is specially the case when we have been told for the last two years that immediately after the War an Imperial Conference would be called for the purpose of considering, studying and settling all the constitutional changes which are desirable in the relations between the Mother Country and the various Dominions of the Empire. Why did not the Government wait until this conference had been held before taking a step that may be very important, because when this conference takes place some people may come and say: Here is an accomplished fact; the Dominions have already a voice in their foreign affairs; and that being so they must agree to some Parliament or council or cabinet to which those diplomatic representatives shall be responsible.

Further, Mr. Speaker, it is said that the Canadian representative at Washington will automatically replace the British Ambassador when he is absent. If that representative is appointed by us, surely we will be responsible for his actions. Will the people of Canada be responsible for all the actions of that representative when he acts in the capacity of the British Ambassador in the absence of the regular ambassador? Another question I wish to ask is this: If the Canadian representative acts as British Ambassador surely the British Parliament or the British Government will have something to say in the selection of that representative, and he

cannot be selected or appointed on the recommendation of the Canadian Government only? I could not believe that the British Government would agree to be represented by, and held responsible for the actions of, a man in the selection of whom they would have no voice whatever. Again I say Parliament should be given all particulars, all details about this appointment: Upon what conditions the British Government have agreed to the appointment of a Canadian representative at Washington? What is the real status of that officer? To what extent will the Canadian people be held responsible for his actions when he acts as British Ambassador? To what extent will the Imperial Government or Parliament have responsibility for the appointment of that officer? Then, and then only, shall we be able to discuss the question, and then only shall the Canadian people be in a position to decide as to the merit or the demerit of the constitutional change effected by this policy.

RT. HON. SIR ROBERT BORDEN (Prime Minister): It is sometimes said of a policy that it is damned by faint praise. I think it may be said of this proposal to appoint a Minister Plenipotentiary at Washington, that hon. gentlemen opposite have praised it by very faint condemnation.

My hon. friend (Mr. Lapointe) has referred to certain constitutional authorities and has pointed out the grave apprehensions entertained by those authorities if such a course should be pursued. I do not propose at this moment to enter into the great question of the future constitutional relations of the Empire. As my hon. friend has said, that subject will be discussed at a great constitutional conference, not called, I assume, this year, but perhaps next year; and I hope at that conference both sides of this House, whatever party may be in power, will be represented. I believe that as foreign relations in the United Kingdom are lifted beyond the petty controversy of party politics, so the relations of Canada to our Empire may be lifted beyond the petty controversy of party politics in this country. As I have already said in this House, if I should be Prime Minister of Canada when that conference is called, I should certainly invite hon. gentlemen on the other side to participate with us in the discussions which will take place. I am not going to enter into that question now; I have just this to say: that he would be a bold man who would undertake to set forth the precise lines upon which constitutional changes in the future will be worked out and upon which the constitutional relations of the different nations of the Empire to each other and to the Mother Country will be based in the future. On the other hand, I think he would be a timid man who is not confident that the problem is not insoluble and that those relations will be worked out in such a way as to give to every nation of the Empire its adequate voice and place within the Britannic commonwealth.

I should like to point out to my hon. friend that when in days gone by, forty or fifty years ago, the question was raised of handing over to the Canadian people and to the Canadian legislature the control of their public domain, the control of their fiscal policy, the control of all their domestic affairs, the same grave apprehensions were expressed as to the effect which those just and merited concessions would have upon the solidarity of the Empire. My hon. friend need have no apprehensions as to the effect of this proposal. What does it amount to, after all? It amounts to this and only this: that a country like Canada, with eight and a half to nine millions of people, bordering the great republic to the south for four thousand miles and far more intimately associated with that country than with any other country outside the British Empire, should have its representative in the Embassy at Washington which represents the whole Empire. Is there anything startling or novel in that? Is there any reason why it should not be carried out? Does my hon. friend know what the Government did of which he was a supporter? He raises grave constitutional difficulties as to who shall appoint this minister and who shall be responsible for him. Does he know that the Government which was in power before 1911 concluded a treaty with the United States under which three Canadians were appointed to act with three men appointed by the United States Government in respect to all matters under the control of the International Joint Commission? What are these men but ambassadors, in a sense—ambassadors charged also, it is true, with the duty of settling differences between the two countries by judicial determination? When my hon. friend the then Minister of Finance (Mr. Fielding) went to Washington in 1911, what was his position, to all intents and purposes? He was an ambassador sent on behalf of Canada to the United States for the purpose of negotiating a treaty. If that is good constitutional practice for three, four or five months, where do you find any violation of the constitution in appointing a permanent representative to do the same thing and to deal with matters of precisely the same or more varied character?

My hon. friends on the other side seem to be strangely alarmed about this proposal. The hon. member (Mr. Lapointe) says that he is very happy to support any assertion of the dignity and status of the Canadian people, or words to that effect. He does not seem to be very happy in his support of the proposal this evening. I hope that his mind will be reassured after this debate has taken place and that he will come to a more illuminating and happier view of the proposal which has been placed before the country.

The hon. gentleman is strangely alarmed as to the terrible consequences which will ensue to this country if the Canadian Minister at Washington, in the absence of the British Ambassador, should venture to carry on negotiations with the United States Government, and he wants to know to what extent the people of this country will be responsible. They will be responsible to precisely the same extent as if the British Ambassador himself had carried on the negotiations; no more and no less. I should have thought that that answer would have occurred to my hon. friend before he propounded that rather curious question.

Well, let us look a little at some of the observations which the member for Shelburne and Queen's (Mr. Fielding) has made. In the first place, in connexion with his demand that all the correspondence and Orders in Council should be laid on the table of the House. I should like to say just this: the correspondence has been conducted on the one hand with the Government of the United Kingdom and on the other hand with the Government of the United States. The correspondence does not tell the whole story, because there have been many oral interviews in which the subject has been discussed on many occasions during the past three years. I had the correspondence examined very carefully; I myself examined it carefully. I must say to my hon. friends on the other side of the House that in my judgment it cannot be brought down with any advantage to the public interest—more than that, without detriment to the public interest. The negotiations with the Mother Country were naturally of an exceedingly confidential character. That is equally true—and I will emphasize this fact—with regard to the negotiations with the Government of the United States. My hon. friends on the other side are well aware, no doubt, that no country has the right to demand that any other country shall receive its Minister. Every country must grant that in response to a request, and it is not obliged to grant any such request. Therefore, while the consultations with the British Government were of a highly confidential nature, whether they were written or oral, so on the other hand, the consultations and the correspondence with the Government of the United States are confidential to an even greater degree and cannot be disclosed in this House. All that has been arranged so far, with the exception of some minor details, perhaps not yet fully consummated, has been placed before the House in the statement read by the Acting Prime Minister (Sir George Foster) just a week ago to-day, I believe. As regards taking the initiative in this matter, I accept, at once and with the greatest possible grace, the fullest responsibility for the part that I have taken. It would make no difference whether I accepted the responsibility or not, that responsibility would rest upon me. I began these negotiations with the Government of the United Kingdom more than three years ago by oral discussion with the then Secretary of State for the Colonies and with the then Secretary of State for Foreign Affairs. The matter rested for a time, and then it was taken up again in the autumn of 1917; but on account of war conditions and by reason of the enormous pressure of business affairs between the two countries, the conclusion then reached was that the purpose for the time being during the War would be better served with the appointment of a Canadian Trade Commission. That Trade Commission was appointed, and the hon. member for Shelburne and Queen's (Mr. Fielding) has borne worthy and true testimony to the fact that members of that Commission did splendid, unselfish, patriotic service for the country which they represented. Later on, and after the Trade Commission had about completed its work, the subject was further discussed. While I was abroad last year it was discussed, not only with members of the British Government, but with some members of the other Dominions of the Empire, notably with the Prime Minister of Australia. The matter stood then until October last, when it was taken up in a more systematic form. Negotiations have been carried on ever since, and they have resulted in the announcement which was made in this House just one week ago, and which has been received with great favour, not only in this country, but in the United States. What reasons are there for appointing a Canadian representative at Washington? I need only emphasize them, as the President of the Council (Mr. Rowell) has dwelt upon this phase of the argument.

Let me pay a tribute to every British Ambassador with whom I have been associated as Prime Minister, Lord Bryce, Sir Cecil Spring-Rice, Lord Reading. I found every one of them eager and anxious to do everything within his power to maintain the interests of this country; but Lord Bryce himself said to me that three-quarters of the work transacted by the Embassy at Washington had relation to the interests of Canada. We all know perfectly well that the staff of the British Embassy at Washington was never selected, so far as we could observe, with any special purpose of placing thereon persons specially familiar with the ideals of the people of this country and with conditions in Canada. I felt many a time during the past nine years that we should have a representative at Washington, and I am confident that such was the view of Sir Wilfrid Laurier during the latter years of his tenure of office as Prime Minister. I should greatly doubt whether his proposal merely suggested the appointment of a commercial agent at Washington. Why should you appoint a commercial agent at Washington?

MR. FIELDING: The Prime Minister says "his proposal." What proposal does he refer to? Where does he find the evidence of such a proposal?

SIR ROBERT BORDEN: The hon. member for Maisonneuve (Mr. Lemieux) alluded last year to a proposal.

MR. FIELDING: Not to any proposal. The hon. member for Maisonneuve said that he understood it was the desire of Sir Wilfrid Laurier to make an appointment, but I am free to say the Government of Sir Wilfrid Laurier never made any proposal on the subject.

SIR ROBERT BORDEN: I know they never made any definite proposal. I was speaking of proposal in another sense. If my hon. friend is sensitive as regards the word "proposal," I will substitute "idea" or "thought," if he finds fault with my language. I know perfectly well that his idea was not put into execution, but I am certain that he had some such idea in his mind and that he did not intend to send a commercial agent to Washington. Why should he send a commercial agent to Washington? If he wanted to send a commercial agent to the United States, he would send him to some of the great commercial centres, such as New York or Chicago. He surely would not send a commercial agent to Washington, because a commercial agent would be practically useless there.

I have spoken of the tremendous interests of Canada at Washington and of the great volume of work in the Embassy relating to the interests of this country. I have spoken also of the absence of any person distinctly Canadian in his ideals or knowledge who might have afforded necessary assistance in dealing with these questions. The condition as it existed before the War in respect of relations between the United States and Canada will continue in the future, and I anticipate great advantages from the proposal which the Government have announced.

Criticism has been made that we should have come to Parliament with these negotiations. We could not come to Parliament with these negotiations because they were of a highly confidential character from first to last. Every gentleman familiar with constitutional procedure should know that in respect of such matters it is absolutely essential that the Government shall take the initiative and that the result of any proposal which they may formulate shall be announced to Parliament afterwards. I should say to the hon. member for Quebec East (Mr. Lapointe) that when we announced last year that we proposed to send a diplomatic representative to Washington, we said about everything that could be said on the subject. That involved everything, because the practice of diplomacy is an ancient one and is governed by a great body of rules, conventions and understandings that have grown up, so that the sending of a diplomatic agent is perfectly intelligible to any one who cares to study the subject. Further than that, the whole matter under British constitutional practice has always been regarded as peculiarly within the sphere of the prerogative of the Crown, and that means, under our constitutional practice, within the discretion of executive government. Instead of the view that this infringes in some way upon the rights and privileges of this House, I should like to point out to the hon. member for Quebec East, who is a constitutional student, that the exercise of a prerogative of this kind in this way gives to the House of Commons a greater control of the whole question than it could get if legislation were introduced. Let me read to him the words of a great constitutional authority on that subject. Dicey, than whom no man stands higher in the discussion of constitutional questions, points out this:

He points out that the survival of the prerogative, conferring as it does wide discretionary power on the Cabinet, involves a consequence which constantly escapes attention. It immensely increases the authority of the House of Commons, and ultimately of the constituencies by which that House is returned. Ministers must in the exercise of all discretionary power inevitably obey the predominant authority in the State.

As the hon. member for Shelburne and Queen's (Mr. Fielding) has said, the Cabinet is only a committee of the House of Commons, and it can continue to act as such only as long as it has the support of a majority of that House. Then Dicey continues:

Now that the House of Commons has become by far the most important part of the sovereign body, the ministry in all matters of discretion carry out or tend to carry out, the will of the House. When, however, the Cabinet cannot act except by means of legislation other considerations come into play.

In the Mother Country the power of the House of Lords is sometimes interposed. In this country we sometimes find our benevolent efforts frustrated by the action of another body. A very good example which is given by Dicey is this: During Queen Victoria's reign the House of Commons passed a Bill for the abolition of purchase in the army. The Bill was rejected by the Lords. The object, however, was achieved by Royal Warrant under the prerogative. Dicey sums it up in this way:

The prerogatives of the Crown become the privileges of the people.

Now every one who is at all familiar with constitutional questions knows that the Sovereign has prerogatives in respect to foreign relations. Those prerogatives must be exercised upon the advice of the Sovereign's advisers. When, therefore, we undertook to deal with this matter we dealt with it as advisers of the Crown by confidential communication. When those communications had eventually reached an understanding, when matters were ripe both in the United Kingdom and in the United States for an announcement to be made to this Parliament, the announcement was made. So the Government accepts, as of course it must accept, full responsibility for the course which it has taken, and that responsibility is one which we shall bear very lightly, because we believe that the time has long since been ripe when this great and growing nation should have its own direct representative at Washington. Instead of cavilling at the idea that a Canadian Minister sitting at Washington should represent the whole British Empire when the Ambassador is absent, I am inclined to think that the people of Canada will be proud and glad that that duty and that responsibility rests upon a Canadian sent to Washington by the Government of Canada.

Further than that, the intimate association between the people of the United States and Canada has led to a very perfect understanding between the peoples of the two countries. Perhaps there are no two nations in the world between whose peoples a more perfect comprehension exists at the present time than that which does exist between the people of Canada and the people of the United States. Thus, I venture to think, as my hon. friend the President of the Privy Council (Mr. Rowell) has well said, that this proposal to have a Canadian at Washington acting, not in opposition to, but in co-operation with the British Ambassador, will tend not only to the good of this country but to a more perfect understanding and better relations between the Empire of which we form a part and the great Republic of our kinsmen to the south.

HON. W. L. MACKENZIE KING (leader of the Opposition): Mr. Speaker, as this is the first opportunity I have had the privilege in this House of addressing my right hon. friend as Prime Minister, may I avail myself of the occasion to say to my right hon. friend that I am pleased to see him so restored in health as to be able again to resume the very onerous duties of his high position.

I am sure it will come somewhat as a surprise to the people of this Dominion when, on reading the debates of this House to-morrow, they discover that in this new and far-reaching step which the Government is about to take, if, indeed, it has not already been taken, the only word the Government has to give to the people of Canada is, to all intents and purposes:—this is not a matter on which we can give you any information one way or the other; this is not a matter on which you are entitled to know anything one way or the other; it is a matter so secret that the Government itself must deal and settle with it without any knowledge of the people or the people's representatives in Parliament. That is the main question in the

motion which is before the House this evening. The hon. gentlemen who have spoken on the other side of the House, the President of the Privy Council (Mr. Rowell) and the right hon. the Prime Minister (Sir Robert Borden), have dwelt at considerable length on the reasons why Canada should have a permanent representative at Washington. There is nothing in the motion before the House to-night referring to the wisdom or unwisdom of having a permanent representative at Washington. My hon. friend the member for Shelburne and Queen's (Mr. Fielding) in introducing this resolution took particular care to point out to the House that that was a question which might well be discussed at another time or upon another occasion: that what he wished to do by this resolution was to bring concretely before this House and the country the question of the supremacy of Parliament or the autocracy of the Cabinet. That is all that is involved in the resolution before the House. Let me read the resolution:

This House desires to record its opinion that before any arrangement respecting the permanent representation of Canada at Washington is consummated, the House should be fully informed concerning the negotiations between the Canadian, Imperial, and United States Governments, and all correspondence and Orders in Council on the subject should be submitted to the House.

Is there an hon. member of this House representing a constituency in this country who will say that that is not what his own constituents demand of him? I, for my part, cannot see how any member of this House can go before his constituents or before the people of this country and say he is prepared, in regard to any transaction, I do not care how small or how great, to defend any action of a ministry which cannot be openly disclosed before the people's representatives in this House.

When, a week ago, the right hon. Minister of Trade and Commerce (Sir George Foster), at that time the Acting Prime Minister, announced in the House the matter which we are discussing this evening, I asked my right hon. friend if he would at a very early date lay on the table of the House all the correspondence relating to this matter, and he replied in these words:

I would merely say that all the available papers in connexion with the negotiations will be brought down as quickly as possible and presented to the House.

That was the promise given to us a week ago, that all the available papers in connexion with the matter would be brought down as quickly as possible and presented to the House. My right hon. friend at that time evidently anticipated that it was going to be possible to give the representatives of the people in Parliament at least some information in regard to this far-reaching matter. But to-night the Prime Minister says to us: I have had all the correspondence carefully gone over, I have examined the papers myself, and hon. members of the House of Commons shall not see one of them. That is what we are now told, that the file has been gone through by the Prime Minister himself, and that having been looked through, the people's representatives in Parliament are not to have any access to the papers or any of the correspondence. Well, Sir, all I can say is, it is a mighty bad beginning in a new departure if our foreign policy—because this is a venture in foreign policy—is to be bound up with secrecy from the start. We are driving right into the very vortex that created the whole situation in Europe, going against the very thing which the allied nations have been urging so strongly—namely, that diplomacy should not be secret, but that it should be open and above board. Why, Sir, if in a matter which concerns the relations between the different parts of the Empire, between different nations, we start off by informing the people's representatives in Parliament that they cannot be told one word in regard to the conditions which have brought about their all-important change, what may we expect as the result of such diplomacy?

Now, my hon. friend the President of the Privy Council (Mr. Rowell) said that this matter had been discussed in this country back and forth, and that there was no doubt about the voice of the press in regard to it from the Atlantic to the Pacific. He spoke particularly of one paper, the *Winnipeg Free Press*, and he said that we would all recognize that paper as the exponent of public opinion in the Middle West. Well, I have in my hand the latest editorial on this very subject in the *Winnipeg Free Press*, and I will read it to my hon. friend, and to the House, because apparently while the President of the Privy Council is not willing to listen to anything that may be said by the people's representatives here, he attaches great importance

to the press generally, and to this organ in particular. What the *Winnipeg Free Press* says in its editorial is what my hon. friend (Mr. Fielding) has said in his motion. Under the heading, "Our Minister at Washington," the *Winnipeg Free Press* of 12th May has the following:

The appointment of a Canadian Minister Plenipotentiary at Washington is an interesting innovation about which it will be possible to comment intelligently when more information is available than was supplied in the very guarded statement read to the House of Commons on Monday by Sir George Foster.

And that is all the information we have.

Mr. King, the Opposition leader, expressed the view that before the arrangement—whatever it might prove to be—was made, Parliament should have been given the opportunity to discuss and consider it. However this may be, it is beyond dispute that it will be the duty of Parliament to submit the arrangement to very keen scrutiny to make sure that it is all that is being claimed for it. It will be within the right of Parliament to object, if it does not approve of what is being done; and any such recorded objection would bring the whole thing to the ground.

Meanwhile the need is for full and explicit information.

Does the hon. President of the Privy Council hear that statement?

MR. ROWELL: Yes.

MR. MACKENZIE KING: That is exactly what my hon. friend from Shelburne and Queen's (Mr. Fielding) is asking, that before this matter is consummated we get full and explicit information.

It is intimated that our Canadian Minister will deal with all matters arising between Canada and the United States which are exclusively Canadian in character; the Imperial Ambassador will participate in the negotiations only when Imperial interests are involved. Very well; but what happens if a disagreement should arise—which might easily happen—

Those are questions which any hon. gentleman sitting on the other side might reply to later in the evening, so that the country may get light on this subject as speedily as possible.

—between the Canadian Minister and the British Ambassador as to whether a question is, or is not, exclusively Canadian? Even in the exclusively Canadian matters, about which there is no dispute, will the Canadian Minister carry negotiations through to the end, or will it be necessary, in the final resort, to call in the British Minister to do the actual signing?

Our representative is to be known as a Minister. Will he be accepted as a Minister by the State Department at Washington? Will he be a member of the diplomatic corps, having all the rights, powers, immunities and privileges enjoyed by the Ministers of all other countries represented at Washington? Will he be the equal in diplomatic statute of, let us say, the Minister from Venezuela? Or will his position at Washington be actually undefined with a mere courtesy status? Parliament and the country will need conclusive answer to these and similar questions; and not until this information is supplied will it be possible to say whether this is a step forward or backward.

It is asserted in certain quarters that this marks an enlargement of Canadian powers and that it is another step forward on the road to nationhood. The Government at Ottawa no doubt believes that this will be the effect of the innovation. But we regard with some trepidation formal arrangements entered into three years after the adoption of a declared policy of equality of status between all the British nations, by which it is possible that Canada may accept, ratify and confirm a status of admitted diplomatic inferiority, formally putting her name to documents that confirm this subordination. If the Canadian Minister at Washington is only a camouflaged chief clerk or a commissioner it would be better to have no Minister there.

Those are not the words of hon. gentlemen on this side of the House; they are the words of the *Winnipeg Free Press*, which my hon. friend the President of the Privy Council so highly values.

MR. MURPHY: A Government authority.

MR. MACKENZIE KING: The article continues:

If his position there is by courtesy, if Canada cannot endow her representative with all the powers which other Ministers enjoy, then Canada should send no one to Washington until she can invest him with the true prerogatives of office.

Information upon these extremely important points is lacking; until it is forthcoming any conclusive judgment upon the wisdom or otherwise of the Government's action is not possible. But the matter is of great importance, and Parliament should regard it as one of its prime duties to see that the matter is fully discussed from all angles and in the light of full knowledge.

It is unnecessary to point out, Mr. Speaker, that that is exactly what we on this side of the House are asking should be done. In this resolution we are asking that Parliament should be informed in as much detail as possible in regard to this transaction before it is finally consummated.

But we have not only the views of our Canadian press. Since this announcement was made, there has been time for word to come from other parts of the Empire, and what do we find? In Great Britain, in Australia, and in the other Dominions we find expressions of opinion questioning the wisdom of this arrangement without any light or information upon it. Let me read from another leading daily, an organ of the present Government, the *Montreal Star*. That paper has a well-known correspondent in England, whose cables, published under the name of "Windermere," are read with interest in all parts of this country. And I should mention to the House that those who know "Windermere" know him to be a member of the British House of Commons. If one looks at the *Montreal Star* of 12th May one will find a despatch relating to the announcement which was made in this House on this subject and to a similar announcement made in the British House on the evening of the same day. That despatch was cabled by "Windermere." Omitting a few preliminary remarks, it says:

There is, nevertheless, widespread sympathy among Parliamentarians—Those are the members of the British Parliament.

—with the view recorded from Ottawa that so momentous a departure might well have been calmly and fully debated in Parliament, so that a momentous departure setting a precedent for a revolution in the whole machinery of British diplomacy in all countries could have been reviewed in all its aspects before the change was made. As it is, the change seems to the public as having been rushed.

Then referring to the Australian view, "Windermere" says:

An Australian of high rank whom I consulted assures me that Australia is now certain to demand that she also have full rank with an Australian Minister at Washington. New Zealand and South Africa should, he declared, follow suit, with the result that ultimately, not alone Washington, but every other great foreign capital, and certainly Paris, Rome, Berlin, Petrograd, and Tokio, will have its circle of fully-accredited British Empire Ministers among whom the British Ambassador will be first, perhaps, but first among equals. He added: "If the Canadian Minister at Washington is to be the fully-authorized British Ambassador in the absence of the British representative, we assume that the Australian Minister will be singled out for the same distinction in some equally important European capital, or, say, Japan."

"You Canadians claim that this is the national prayer and, indeed, the inevitable sequel to Canada's new national status as accorded at the Peace Conference. Very well! we as Australians throw up our hats with you, but don't run away with the notion that you have not perhaps unwittingly taken on far-reaching new responsibilities which every Dominion within the Empire will wish to take too, and which carries the seed of vital changes in the whole structure of an Empire."

"There was some cheering in the British Commons when Bonar Law announced the change. Most English public men welcome every sign of increasing power and influence of England's younger partners overseas, but I can quite understand the feeling of many long-sighted Englishmen and perhaps some Australians that before making this plunge into the unknown at the bidding of the Canadian Ministers, who, perhaps, only half appreciate its ultimate significance, it would have been wiser to discuss the whole subject round the friendly family table of the Imperial Conference. We could have all had our say then."

Will any one, viewing the affair of the British Empire from the point of view from which they are likely to be regarded by representatives of the British Isles and of the different Dominions, find anything unreasonable in a request of that kind? If our action in failing to discuss this matter openly and freely is going to create some unrest in Australia, South Africa and New Zealand, and some concern in

England, surely we are not helping to bring about the closer relations between the different parts of the British Empire which it ought to be the object of every free Parliament within the Empire to bring about. There are very strong reasons why a transaction that is fraught with so many possibilities should not have been finally consummated until Parliament had had a full opportunity to discuss it in all its bearings.

When hon. members have referred to the debates that have taken place in this House they have spoken about a permanent representative at Washington. That is a subject upon which we might all be very much united, and it might well be that there might be no difference of opinion as to the propriety of having a permanent representative at Washington. If there were differences of opinion, surely it would be worth while having those differences discussed in Parliament and the case considered upon its merits. But what the Government have consummated in this transaction is something far different from a proposal to establish a permanent representative of Canada at Washington. It is not only a permanent representative that is proposed, but a Minister Plenipotentiary is to be appointed who, to all intents and purposes, is to be the British Ambassador at Washington during the time when the British Ambassador may be away from the country or absent from duty. No one can say how long a time that will be; no one can say what questions will come up while the Canadian plenipotentiary is acting as British Ambassador at Washington. Is there any one here who believes that a step of that kind is going to be free from all kinds of possible danger? What is it that has brought about the desire to have our own representative at Washington? It is that time and again we have taken exception to what British diplomatists at Washington have done on our behalf. Is our representative likely to be so perfect that he will always satisfy British opinion? Why not let British diplomatists manage British affairs and let us manage our own affairs? Then we will not get into those mix-ups and troubles that on occasions we have had reason to doubt the wisdom of British diplomatists voicing Canadian interests in matters between the United States and ourselves. Is it to be supposed that the time will never come when the people of Great Britain will not have reason to feel that their interests as watched by the Canadian Plenipotentiary acting as British Ambassador will not have been guarded in as satisfactory a way as they could have wished?

There are two extreme views that may be taken in regard to a matter of this kind. One is that the affairs of Canada should be managed exclusively by the British Embassy; the other that the Canadian representative should manage the British Embassy, as is here proposed, for part of the time. What seems to be the more rational course is the middle one, that in matters between Canada and other countries Canada should manage her own affairs, and that in matters between Great Britain and other countries, Great Britain should manage her own affairs, always when necessary with co-operation and conference between the two. At the present time, when the British Ambassador is absent, the British Charge d'affaires is responsible for the business of the Embassy. My right hon. friend had something to say about responsibility. Let us go into this matter a little. Sometimes it is necessary to recall an Ambassador. Let us assume that the British Minister is away and that it happens that the Canadian plenipotentiary has been acting when, perchance, a mistake is made. Whom are the British Government going to recall? Are they going to recall the Canadian Minister at Washington? They cannot do that: he does not belong there; he belongs here. Are they going to recall the British Ambassador? He is not responsible; he has had nothing to do with the transaction. These are complications which suggest themselves. Are these things not worth considering; are they of no concern to the future of the British Empire? They surely ought to be considered here as being matters intimately bound up with our relations with the Mother Country. We should have co-operative relations, relations by conference and discussion, but when it comes to so vital a matter as that of taking on the responsibilities that must come from the larger and vast considerations involved in this departure as proposed, I do not believe that, proud as the Canadian people are of their status as a nation, they would wish to have any representative of this country go to Washington and deal with questions that affect all parts of the British Empire in their relations with the United States, questions which may relate to the different countries of Europe, questions which may grow out of conflicting matters that come to the fore in connexion with the League of Nations, of which the United States is as yet not a member and may not be a member for some time to come.

I do not believe the Canadian people wish to launch too deep into experiments in foreign policy at the present time. All matters of government, and particularly matters affecting diplomatic relations, are matters of constitutional evolution. If we are going to advance, by all means let us proceed along the line of evolution; but let us take one step at a time. Do not let us begin with the extreme step that is being taken in this arrangement without any reference to the views of the representatives of the people. I submit to my right hon. friend (Sir Robert Borden) that at this of all times it would have been fitting and in accordance with the rights of this Parliament, as it was owing to the supremacy of parliament and its position as a great deliberative assembly, before concluding anything, to have brought before this House a resolution expressing the opinion of the Government that Canada should be represented at Washington by a Minister Plenipotentiary and to have given hon. members an opportunity of deciding upon that question here. If the Government wished to go a step further and to say they desired that the Canadian Minister Plenipotentiary should be also the British Ambassador at Washington, for the time being, they might well have presented that view also in the form of a resolution and have given us an opportunity of discussing it here. That would not be ignoring Parliament, that would be leaving it to the Canadian people through their representatives to say what they wished to have done, but the Government has not done that; the Government has brought forward no resolutions. It has done all of its own volition.

The President of the Privy Council says: "We will give you a chance when it comes to voting the money." That is about the only time this Government ever comes to Parliament in regard to anything. We have had one measure after another during this session in regard to which we have been told: "No, the transaction is already settled, an Order in Council has been passed and all we want is that you should vote the money." That is all we have a chance to do. We have had Orders in Council and agreements placed on the Table and we have been told "we want you to ratify." Why? Because they cannot put these things into effect without money: money is needed, and they have to ask Parliament for it. But there is no chance for the people's representatives to discuss the merits of the transaction; everything is signed, sealed, and delivered; as it was with the Grand Trunk agreement, and as it is with this transaction. The only thing left is to vote the money. The Government simply says to its supporters: "You vote the money, you support the agreement, or we will go to the country and you will be out of your seats for good." The right hon. the Prime Minister smiles, but he knows perfectly well that he can go away for months and months and that when he comes back he will find his followers responding to every crack of the whip. The Government say: "You give us your support, or if not we will go to the country, and out you go." I think the time has come when the Government should recognize its responsibility to the people, and bring before this Parliament every transaction that has any bearing upon the future relations of Canada with other countries or that has to do with payments which our people will have to make.

Mr. Speaker, I might refer to many other points, but I think that what I have said will, perhaps, be sufficient to indicate that all we are asking in this resolution is that the supremacy of Parliament in matters that pertain to the well-being of the people shall be recognized and that is a wise request. It does not matter how far this transaction has gone at the present time; we still ask that this Parliament be given full information, and that it be given enough correspondence to let us see that at least there is something in writing about the matter. We do not know at the moment that the Government have even got a signed agreement as between the British Government and the Government of Canada, or as between the United States and this country. The Prime Minister says that we are to have nothing. Well, how this Parliament is to ratify or act upon nothing is a mystery that it is going to be difficult to explain; and until we get something that can be concretely seen and regarded not only by Parliament but by the people of the country we are justified, I think, in taking any course calculated to secure to the people their rights in this matter.

Now, in regard to the secrecy of this kind of diplomacy, the inability to bring down any correspondence, let me remind the House in regard to one subject that was mentioned here this evening—the Reciprocity agreement. My right hon. friend referred, I think, to the hon. member for Shelburne and Queen's as having negotiated that treaty, and he compared the action of the Minister going to Washington on that occasion with the kind of action which will be expected of this Canadian Minister permanently resident at Washington. But what position did the Government of that day take in regard to the reciprocity agreement? Did they come and

say to this Parliament: "We have made an agreement with the United States. It is signed, sealed and delivered; there is nothing for the Canadian people to do but to accept it, and vote whatever money is necessary to carry it out?" I think my hon. friend (Mr. Fielding) will bear me out when I say that the ink on that agreement was not dry before he brought into Parliament the agreement itself and all the correspondence that related to it—laid before Parliament all the documents necessary for free discussion—and from Parliament the issue was carried to the people for their consideration, and was settled by the vote of the people themselves. That is parliamentary government, under the British system: recognizing the rights of Parliament and the rights of the people; and all that we ask in regard to this particular measure—which may have consequences more far-reaching and serious than any that have taken place in connexion with any of the measures referred to this evening—is that upon the present occasion a similar course shall be adopted. As it is, we are establishing a new precedent, and surely, in so doing, we should have all the information that we can possibly obtain. This is a question that relates to inter-Imperial and international relations, matters of foreign policy; and on such questions—even more than on matters of home policy—we should have the fullest information. We are entitled, for example, to know the status of the Minister in regard to all of these questions that have been raised in the editorial of the *Winnipeg Free Press* to which I have referred. The people, being called upon to pay the expense of this new office and position, are entitled to know how much it is going to cost and to what it is going to lead. Finally, let me say, Mr. Speaker, that we are entitled at this stage, of all times in the history of the world, in matters respecting our relations with other countries, to end secret diplomacy once and for all, and have our diplomacy open and above board or not have it at all.

RT. HON. SIR GEORGE FOSTER: Mr. Speaker, some time in the history, I believe, of every man it occurs that what seemed to him golden in the heated moment of discussion appears to him very much like lead when, an hour or two afterwards, he has cooled off. So, in the best of good spirit, I would suggest to my hon. friend who has just taken his seat, that when he reads his speech to-morrow, after he has cooled off, and looks at it coldly as it appears on the printed page, I doubt if he will be very proud of that speech. And I might also carry that suggestion a little bit further, and apply it to those hon. gentlemen who so valiantly applauded him—as to whether, reading the speech over in cold blood, they will think of it in exactly the same enthusiastic way in which they have applauded the speaker to-night.

AN HON. MEMBER: We shall be more enthusiastic.

MR. McMASTER: It will warm the blood.

AN HON. MEMBER: Much more so.

SIR GEORGE FOSTER: I can quite see that, and I will say it is no disadvantage to my hon. friends opposite, who have been so lethargic for so long a time, that they should have some warm blood pulsing their veins to let the country know they are really alive.

MR. CASGRAIN: What about yourself?

MR. DEPUTY SPEAKER: Order.

SIR GEORGE FOSTER: That is just by the way. I am not going to enter very lengthily into discussion of this matter to-night, but I will take up a few points that my hon. friend has made and see how much there really is in them.

In the first place, he made much of the statement, repeated over and over again, that the Government was denying information to the House and to the representatives of the people. That is always a favourite chord to touch when you want to arouse your followers—either in the House or out of it—on any particular subject; but how far was my hon. friend right in demanding the information which he demanded on this particular subject and at this particular time? After all my hon. friend from Shelburne and Queen's (Mr. Fielding)—who has probably had one of the longest experiences in public life of any Canadian now in Parliament—knows that in all governments there are certain negotiations that take place, and it is impossible to make public the stages of those negotiations and their various phases whilst they are in progress; and a great deal of information—sometimes a very great deal—never is made public at all during the time when publicity might be harmful in many ways with reference to living statesmen in different countries who have been carrying the negotiations on, or with reference to the countries themselves whose interests have been under discussion. That is one of the things that every statesman and every Cabinet Minister of experience knows; it is simply a demand which is absolutely without good foundation, that certain things shall be known while negotiations are

going on, or shall be made public, and that there shall be nothing secret, nothing confidential, nothing kept away from the view of the legislature or of the people—that everything shall be open—open diplomacy, as my hon. friend said. Now that position is nullified by actual fact and by actual practice in the experience of every statesman and every member of a government. In no case where Governments carry on international negotiations, even in these days when open diplomacy is in far greater vogue than it was in previous times, is the course of the negotiations step by step and from hour to hour made known to parliaments, legislators and the public of the different countries concerned. The events which have taken place during the last five years; the events which have taken place even since the Armistice have been one great proof of the impossibility of successfully carrying on negotiations of a delicate and complex nature, involving the prejudices, the policies, the national aspirations, of different countries, if every day the reporter puts before the public just what has taken place, what has been said and what has been concluded with reference thereto. You must draw a line somewhere; there must be a point beyond which you cannot go in publicity. After all, the chief thing is the conclusion that has been arrived at; the arrangement that has been actually made. If I buy a watch, the purpose which I had in mind is carried out when that watch keeps the correct time and enables me to ascertain the hour of the day by referring to it. But if I am curious to know how that watch is made up and I dig into its springs and its cogs and its general interior, I shall make impossible of achievement the very purpose and idea of the thing itself. As I say, the thing that has been actually come at as a conclusion is the thing that matters, and it is the gist of that which has been given to Parliament and which Parliament has a perfect right to know.

My hon. friend would raise this matter into a controversy between the autocracy of a Cabinet and the supremacy of Parliament. Now, that is an exaggerated method of expressing what is happening to-night with reference to the demand of our friends on the other side and the information which is being given by the Government. It is not a case of the autocracy of the Government against the supremacy of Parliament; it is a case of the proper co-ordination of the functions of Government and the functions of Parliament. My hon. friend says that we should have come down with a resolution affirming the principle that a trade commissioner should be sent to Washington—

MR. MACKENZIE KING: Not a trade commissioner; oh, no.

SIR GEORGE FOSTER: Or, if you want higher flights than that: a resolution that a Minister Plenipotentiary should be stationed at Washington. Then, he says, we should come down with another resolution stating that if it was considered best, that Minister Plenipotentiary sent to represent Canada at Washington should also be empowered to represent the British Government as its ambassador, if the British Government so desired. That was the way in which my hon. friend would approach the subject. Would he have got anywhere in approaching the subject in that way? Is it feasible? Is it practical? You must first proceed by way of negotiation, oral and otherwise, in order that the Governments concerned may test each other's views; in order to settle upon the *modus operandi*; what shall be the functions, what shall be the powers, what can be done in this respect and in that. Then, after you come to conclusions that are satisfactory to the two Governments you bring your conclusions to Parliament, and there it is that the supremacy of Parliament exerts itself. Parliament is then master of the situation. It can turn out the Government which has gone so far, if it considers it proper to do so. It can stop them at the point at which they give the information and not allow the proceeding to go further, if it considers it wise to do so. Parliament is, in the end, the supreme arbiter; nothing can be finally carried out without its approval. But my hon. friend would proceed in the way that he suggests. Did the party to which he belonged, and to which he still belongs, proceed in that way in respect to the reciprocity negotiations in 1911? Did they bring down to Parliament a resolution affirming that it would be a proper and right thing to send a delegation of ministers to Washington to undertake the negotiation of a treaty of reciprocity with the United States? I have no memory of a course like that having been adopted. And did they then come down with another resolution affirming that certain ministers should go down there as plenipotentiaries for the time being to work upon that principle, bring back an arrangement, and submit it to the House? Not at all. They did what was the practical thing; what was the customary thing, having regard to their prerogatives. They came to the conclusion that it would be a good thing to have a

reciprocity treaty with the United States. They therefore sent their ministers to Washington to negotiate a treaty. We in the House of Commons knew nothing about it at that time—did not know what the terms of the treaty were; did not know how much they would give up; did not know how much they would get. The whole thing was done entirely behind our backs. While we were in perfect ignorance of what they were doing from hour to hour and day to day, they were proceeding to negotiate a binding commercial arrangement, a reciprocity treaty, which they would bring back and, if they could, put through the House; if they could not put it through the House they would, of course, take the responsibility and meet the fate which would attach to that responsibility. They went without the voice of Parliament or of the country behind them. They did their work; they brought back the result; and as soon as they asked the voice of Parliament and the voice of the country, they got their answer, as every Government will get theirs if their action is not in accordance with the wishes of the people.

When my hon. friend asserts that we should have proceeded as he suggests with reference to this negotiation, he did not back up what he said by pointing to like things that had been done by his own party. I do not find fault with his party for doing what they did in the case of the reciprocity negotiations. It was their prerogative; it was their right; they acted in a perfectly constitutional way. So in this matter, this Government have exercised their prerogative; they have proceeded with these negotiations; they have brought them to a point where finality has been reached in certain respects; they bring that arrangement back, and they submit it to Parliament. Parliament is supreme in this matter; Parliament is the arbiter of the whole thing.

The hon. gentleman stated that our position on this side of the House was: "When we demand information, you take the position that the representatives of the people in the House of Commons shall not see one whit of what passes, shall not know a thing of the negotiations that have taken place, shall not have all the papers or any of the papers placed before them for their information." That is not, as I stated, the main thing. The main thing is that the arrangement which has been up to this time concluded shall be in its essence and effect made known to the House of Commons, to the Parliament of Canada; and that is what has been done. My hon. friend had rather a grievance that I had stated that all available papers would be brought down. That is always the answer when demands are made for negotiable instruments of that kind. After negotiations have been carried on, when the papers are called for, you bring down the papers that it is in the public interest to bring down, and you are not obliged to bring down, neither is it understood that you shall bring down papers, the publicity of which would not be useful, which might, in fact, be disadvantageous to the general public interest, the international interest, the interest of the people of the countries involved. My hon. friend supported his demand by reading an extract from the *Winnipeg Free Press*, an organ of great power and intelligence, not by any means an organ of this Government, but an organ of public opinion which I, for my part, like to read and follow in so far as its suggestions are good. My hon. friend also read extracts from other papers. When he analyses really what these extracts from papers show as to the demand that is made and which is expressed in the extracts, it amounts to nothing more than this, that if an arrangement is made, before it is put into effect, Parliament and the country should know exactly what it is. But that is not at all a demand from the press or from those papers that every step of the negotiations, oral as well as written, shall be placed in print or in essence before Parliament. Any one knows that with delicate negotiations of this kind such a course would be neither advantageous or useful. Some one has made the statement—I think it was made in one of the extracts read by my hon. friend—that if we were to have under this arrangement nothing more at Washington than a glorified trade commissioner or a camouflaged chief clerk, the House and the country ought to know that. The House knows that, and the country knows it and will know it. It is not a glorified trade commissioner nor a camouflaged chief clerk who goes to Washington under this arrangement; it is a Minister Plenipotentiary, and the term itself designates the position and the power of the person who has that appointment. Therefore the anxiety of my hon. friend that we shall have at Washington something more than a glorified trade commissioner or a camouflaged chief clerk may be set at rest entirely in respect to that.

He has read also expressions of opinion voiced by contributors to newspapers in the Old Country and in or on the part of Australia, and he has raised many doubts and fears as to what will happen in all this. His counsel would have been that nothing should be done in respect to this matter until all had got together at a general conference in the Old Country and the matter had been talked over and conclusions reached. He also asks the question: What will happen in Washington when the Minister Plenipotentiary goes there in his dual capacity of representative of the interests of Canada and possibly of representative of the British Government in the absence of the British Ambassador? He also asks the question: What will happen and who will be responsible for him, for instance, when the Minister Plenipotentiary is carrying out his duties with reference to Canada and Canadian affairs, which in so far as they relate to the two countries, will be within his power? The Dominion of Canada is responsible for him in that capacity; he receives his instructions from the Dominion Government, and he acts in conformity with those instructions. That is plain and evident from the premises. Then the hon. gentleman asks: When the British Ambassador is absent and the Minister Plenipotentiary is acting as British Ambassador and in his place, who will be responsible for what he does then—will it be Canada or will it be Great Britain? Equally in that case, if he is standing in the place of the Ambassador in the absence of the regular incumbent, he is acting under instructions from the British Government, and he is responsible under those instructions to the British Government.

MR. McMASTER: Supposing the Prime Minister and the Government of this country gave him instructions diametrically opposed to the instructions given him by the Imperial or Home Government, what would happen?

SIR GEORGE FOSTER: There is not much necessity of asking what will happen then, because that never could happen.

MR. McMASTER: Such a thing is possible.

SIR GEORGE FOSTER: In so far as he is the Plenipotentiary for Canada and acting for Canada, he takes his instructions from the Canadian Government alone. In so far as he is acting as an Ambassador for the British Government in the absence of the regular Ambassador, he takes his instructions from the British Government, and he is responsible to that Government for the way in which he carries them out. That is as plain as it can be, so that what my hon. friend conjures up in his mind is an impossibility, a thing which cannot happen. But the alternative which was hinted at by my hon. friend has something appalling in it from another point of view. My hon. friend said: Let Canada manage her affairs with reference to the United States, and let Great Britain manage her affairs alone with reference to the United States, in so far as they touch the interests of Great Britain. If that is pushed to its extremity, is that co-operation? Does it not, when pressed to its logical conclusion, have in it the elements of danger in the future as to co-operation and continued unity and the solidarity of the Empire? It seems to me, and I think it will commend itself to my hon. friend, that if that is his alternative to the principle which has been adopted in the arrangement which has been made and laid before this Parliament, there are greater dangers to be apprehended in the future along that line than along the present line where in co-operation the two countries work together in unity, each having its special work to do under its special instructions from its own Government, and co-operating, as they can co-operate, in a spirit of unity and of good fellowship.

MR. MACKENZIE KING: My hon. friend will recall that I coupled what I said in that connexion with the remark that there should always be co-operation and conference and discussion.

SIR GEORGE FOSTER: There is that exactly. There is, first, a clear definition of the powers. In matters of purely Canadian concern the Plenipotentiary takes his instructions from Canada, and he works under those instructions and is not instructed by the British Ambassador. Co-operation, counsels of wisdom and of experience, should, and I suppose always will be perfectly common between the two, but the British Ambassador does not interfere in respect to matters purely Canadian, and the Canadian Plenipotentiary does not interfere in matters purely of Imperial concern. At the same time, there may be the closest intimacy and unity of thought and of effort between the two. So I think there is no more danger in an arrangement based on conditions as they have been outlined to Parliament than there would be in following out my hon. friend's line.

My hon. friend made a very fine appeal to the sympathies of his friends on the other side of the House when he made the rather unwarranted assertion that the Government of Canada, the present Government particularly, never came down to the House except when it wanted money, and that then it came. My hon. friend knows that that is an exaggerated statement. He also knows that there are few things which can be carried out in the way of public policy or public enterprise, initiated or aided by a government, which do not require for their carrying out to have money placed at the disposal of the Government. That is the privilege which Parliament holds. It holds the power of the money vote; and of course it is always necessary to come to Parliament for money in order to carry out the policies and the enterprises initiated through the Government and by the Government. But does not my hon. friend think that he made rather a catch-penny argument when he so strongly and so enthusiastically put it as a point of disadvantage to the Government that they never came to Parliament unless they wanted money? As Parliament holds the purse-strings it is absolutely impossible for any government in connexion with any governmental policy, or any governmental enterprise, begun, initiated, and brought to a certain point by the Government as the committee of Parliament, not to come ultimately to Parliament and the House of Commons for the wherewithal to carry those policies and those enterprises through. My hon. friend need only look at the history and experience of his own party to know that governments do act in that way, and to take that responsibility. Take the project of the Grand Trunk Pacific railway, for instance. Read its history, let your memory stray over the initiatory processes of that undertaking, the effects of which still remain with us, and will for many a generation. I suppose any one might have made the same statement with regard to the Government of that day, that they only came to Parliament in respect to this great transaction, involving almost unlimited expenditure, after they had negotiated, signed, and practically sealed the arrangement with the companies with whom they made the bargain. Governments do act that way. They take that responsibility, and they carry out their measures through that medium. They must in the end always come to Parliament for its sanction before any of these enterprises can be carried through to completion.

My hon. friend in the end, as an argument often addressed and an appeal often made, says that in this age we should have no more secret diplomacy. Now what does he really mean by that? When he as the leader of a government carries on the affairs of this country, will he undertake to live by that rule of policy, that there shall be nothing undertaken by the Government in its transactions with Japan, in its transactions with China, in its transactions with France, in its transactions with any other country in the world with which it comes into contact daily, and where delicate questions arise involving negotiation and careful and wise counsels—will he abide by his rule that before he undertakes to write a communication to a foreign government he will come down to Parliament and make plain to Parliament and the country just what he is going to write and get the approval of Parliament and the country before he undertakes to do it? Will everything be open, no secrecy, nothing kept back, but from the very start every transaction made public to the legislature of the country and to the people of the country and to the world? I venture to say that my hon. friend will never lead a government along those lines, or, if he attempts it, he will never lead a government successfully. Under the constitution of things as they are in the world, that cannot be done, and it will never be possible for it to be done so long as there are conflicting and opposing interests between different countries of the world.

My hon. friend, I hope, will not be altogether too unquiet with reference to this matter. Has he not conjured up possibilities which have very little foundation in fact? You could, with reference to any policy, at any time within the last eighty years, and with reference to every advance that has taken place in the constitutional development of Great Britain and of her Overseas Dominions and Dependencies—you could have conjured up the same difficulties, made the same suppositions in order to prejudice or to oppose or to balk, the development along certain lines of progress. You could have always done that, and it has always been done. But the supreme fact in the constitutional progress and growth of the British Empire and of its outlying parts has been that these successive steps have been taken, each one adding liberty, power, and importance to the outlying portions, each step also adding strength, unity and solidarity to the Empire fabric as a whole, and that the fears of the timid fortunately did not outweigh the strong inspiration and hope of

the courageous ones who took the part that progress seemed to indicate and trusted to the good sense, the strength and the capacity of the people of the Empire to guide in ways that would be advantageous and to avoid results that would be hurtful. And so the whole history of British constitutional development has passed on from step to step. I for one can see that in any new arrangement bearing within it responsibilities such as this arrangement bears, there may be about it eventualities that may well give us pause, but it is for the good sense, the wise counsel, the steady and cool judgment of the British people—qualities which have been such distinctive features of their progress in the past—to maintain their sway in the future and to guide along proper and safe lines for every one of these opening developments towards greater power, greater importance, greater liberty and consequently greater happiness for the Empire as a whole and for its constituent parts.

HON. RODOLPHE LEMIEUX (Maisonneuve): I have felt a great deal of interest in the official explanation given by the right hon. gentleman (Sir Robert Borden) and by his colleagues on the treasury benches, Mr. Speaker, as regards the appointment of a Minister at Washington, but it seems to me that this question is a very simple one. We have discussed this evening the merits of the case, while the whole point is a question of procedure. And I believe, Sir, that the amendment which has been offered by my hon. friend from Shelburne and Queen's (Mr. Fielding) asserts the only principle which ought to be adhered to by both parties in this House, because long ago the battle for responsible government was won in this country. After carefully reading the amendment, whose words are well weighed, I wondered why there should be any division of opinion in this House as regards its merits. Because, I repeat, it asserts a principle which embodies a golden rule for the government of Canada.

I do not understand the objections which have been made by my right hon. friend, the last speaker (Sir George Foster), to this amendment, unless the right hon. gentleman has still the notions of fifty years ago. Those of us who are students of Canadian history—and we are all students of the history of our country—know that in the early forties and before as the fight was carried on by the friends of responsible government, they were denounced at every turn by the members of the Family Compact. The members of the Family Compact in those days spoke against Baldwin and William Lyon Mackenzie, as my right hon. friend the Minister of Trade and Commerce spoke this evening against the grandson of William Lyon Mackenzie (Mr. Mackenzie King) and against the member for Shelburne and Queen's. In those days, as to-night, the friends of responsible government wanted to exact from the government of the day the correspondence, the information, the whys and the wherefores of the policies of the Government, but the governor of the day, who in himself constituted the whole government, Sir Francis Bond Head, speaking of his critics, said: "They think they are the friends of responsible government, whilst at heart they are only disloyal." But he lived long enough to see responsible government firmly rooted in Canadian soil, and I am somewhat surprised that seventy-five years afterwards we find a Canadian Minister and a Canadian Government reviving the same old reactionary policy as was advocated by Sir Francis Bond Head in those far-off days.

The Government, Sir, do not seem to be very free with information; on the contrary, they seem to be very secretive indeed. But they live in a fool's paradise if they think, because during the five strenuous years of the War the people of Canada and the Parliament of this Dominion in a very generous, yes, in a chivalrous way, gave them a mandate to carry on, that they can continue the war system now that the glamour of war has gone. I repeat, they are living in a fool's paradise, because if there is one principle which has triumphed as a result of the great world conflict, it is that the people must be represented by its elected representatives, and that the people should be trusted.

My friend, who is fond of a little story at times, will remember that in the old days of the kingdom of Poland there was a king named Auguste. He had, as my hon. friend had some years ago, his "moments of weakness"—his being different from those of my hon. friend in that they resulted from a fondness of spirits. King Auguste, when he was particularly drunk, would say, "All Poland is now intoxicated." Well, when my hon. friend has the information served to him in council by the Prime Minister as to the whys and wherefores of the appointment of a semi-ambassador at Washington, he thinks that all Canada is informed and ought to be satisfied.

The right hon. gentleman told us that he had many very serious conversations with the Secretary of State for the Colonies in London regarding impending changes in our national status. I accept his word, Sir: I do not doubt that he had many very serious conversations with Lord Milner. But let me say, with all due respect to Lord Milner's great ability as an Imperial statesman, that if the status of Canada was altered as a result of the conversations of our Prime Minister with Lord Milner, that status was not altered on the maximum line but on the minimum.

Indeed, the Ministers of the Crown during the last five years have so often been away from Canada, have so often approached the round-table clubs and the Imperial conferences, have kept so near Mr. Lloyd George, Mr. Balfour and the great Imperial statesmen that they have come to believe that they are no more responsible to that little country, to that little dominion, to that little colony, Canada, but that they are only responsible to the Imperialistic party over in England.

My hon. friend the President of the Privy Council (Mr. Rowell) said that he had given all the information last year and that we on this side of the House had been perfectly satisfied with his answers. As regards my humble self, let me correct my hon. friend. When the item for a representative at Washington came up for discussion before the House, speaking of Sir Charles Gordon, who is a respected citizen of Montreal and one of the great captains of industry, I said that he had been during the War an excellent trade commissioner for Canada, had advertised our country, had built up financial and other friendships with the United States, and that if a trade commissioner were to be appointed in Washington I would like to see him continue in the performance of these functions. But I spoke of a trade commissioner, not of a semi-ambassador—a semi-ready ambassador—or a minister plenipotentiary. My hon. friend stated that he had accepted his explanation. My hon. friend who sits at my right (Mr. McKenzie) expressed then the views of His Majesty's loyal Opposition. He said:

Is the establishment of new relations between this country and a foreign country, although that foreign country is a neighbour, not of such importance that it should be dealt with by Parliament, and that the will of the people as represented by Parliament should be ascertained upon such a question?

Further,

These relations are of such an important character that the whole policy of the Government should be embodied in concrete legislation and thoroughly threshed out before being put into force.

In these wise words my hon. friend put the gist of the amendment which is being offered to the House this evening by the hon. member for Shelburne and Queen's. But we are told that this is not merely a trade commissioner, that we are not going to appoint at Washington a High Commissioner such as we have in London, and such as we have in a modified form in Paris, but that we will have in the future a Minister Plenipotentiary. I have nothing to teach my hon. friend the Minister of Trade and Commerce (Sir George Foster) in international law; I cannot give him any lesson in the English language because he is a perfect master of language, but will he tell me in all seriousness that Canada, as a Dominion, has the right to appoint in a foreign country a minister plenipotentiary, and does he not know that in international law only independent people and independent countries can appoint ministers plenipotentiary and ambassadors? You cannot appoint a consul. I dare say that the British Consul in Washington will have more power and influence than the Canadian Minister Plenipotentiary. Why, Sir, I have been in Europe of late, and heaven knows what troubles we have with passports in moving from one country to another. Could I get my passport viséd by the High Commissioner in London? Could I get my passport viséd by the Canadian Agent in Paris? No, Mr. Speaker, I had to go to the British Consul, and so it will be at Washington; we will have to go to the British Consul.

What is the use of camouflaging this whole question before the Canadian people? The full import of this is that hon. gentlemen during five years of war have carried on in the name, and on behalf, of the Canadian people. The name of Canada has loomed great on the horizon. The name of Canada was never greater than it is to-day as a result of the War, but the status of Canada was not changed on account of the War. These hon. gentlemen, in order to justify the extravagance of the Government during these five years, are preparing another balloon for the Canadian people: "We have secured recognition as an international power; we have got a new status; we have a Minister Plenipotentiary at Washington; hail, hail, the people of Canada, come ye brave electors unto the polls and vote one more for the progressive Tory party!" That is the full import of this question: nothing else.

True—and I make the statement in perfect good faith—there are already forebodings, there are tidings which are teaching my hon. friends that it is not wise to play with fire, and you are only playing with fire on this issue. You are not sincere, you are not serious, but the people of Canada, who are sincere, who realize what their status is, who apprehend the dangers they are running in playing at diplomacy—the people of Canada are already telling you that you are doing wrong in this matter.

When I was in London the other day we had what I believe is the opinion of the people of Ontario, at least of the great city of Toronto. It was in the form of a long letter, written, no doubt, by Sir John Willison, criticizing bitterly his friends of the present Government for playing at diplomacy, because, as the *London Times* said through its correspondent, this whole question has been treated very mysteriously. The status of Canada has not changed. We maintain the best of relations with the United States. What the people of Canada are in need of to-day in Washington is a keen trade commissioner, looking for wider markets in the United States. We are anxious to do business with the United States, and we want an alert commissioner to stir up business between the two countries and to open new channels.

The Times, of London, printed that in substance, and I can send the warning to my hon. friend, if he wishes to read it. No, Mr. Speaker, the Government is not sincere, and it ought to know—at least the Minister of Trade and Commerce, who has had a long and honourable career in the Canadian ministry, ought to know—that by the appointment of that semi-ambassador, of that so-called Minister Plenipotentiary, Canada sooner or later may be involved in grave international problems.

MR. BURNHAM: May I ask the hon. gentleman—

MR. LEMIEUX: No, you may not ask. Mr. Speaker, I do not wish to be discourteous to my hon. friend, but he will please put his question a little later on when I am through with this part of my argument. My hon. friend thinks that everything will be very smooth: the British Ambassador will look after Great Britain's affairs, and the Canadian Minister will look after Canadian affairs, and will receive instructions from Ottawa, and Ottawa only; but at times during the absence of Sir Auckland Geddes, the Canadian Minister Plenipotentiary may sit at the desk of Sir Auckland, and may then carry on the affairs of Great Britain. Sir, is it not possible, does it not strike my hon. friend's mind, that conflicts of interests are likely to happen and to arise between even the Mother Country and Canada? Have they not arisen in the past, Mr. Speaker? I have here the life of Sir John A. Macdonald, but I will not weary the House by reading the chapter concerning the Fisheries Treaty. My hon. friend probably knows by heart that famous despatch of Sir John A. Macdonald, when he told the Canadian people about his impressions of the British representatives who sat with him at the conference at Washington who were so anxious to sign a treaty even though the interests of Canada were discarded. My hon. friend should remember the gloom that one morning descended over the halls of the Canadian Parliament when the Alaskan boundary award was known. On that commission the Canadian representatives were associated with a British representative appointed by the British Government. Do you remember, Mr. Speaker, that morning when the award was made known to Parliament? If we ever regretted an occasion and an association to discuss interests which were dear to the heart of Canada, it was that occasion and that association. We all know that Lord Alverston, who at first committed himself in favour of Canada, soon took another course and joined the American majority. No, Mr. Speaker, if you read the history of our difficulties, of our interests—as between Canada and the United States—you come to this conclusion that the best way to settle them is to settle them ourselves and not be associated with others.

MR. BURNHAM: I rise to a point of order.

MR. LEMIEUX: What is the point at issue?

MR. SPEAKER: If the hon. gentleman has risen to a point of order, will he please state the point?

MR. BURNHAM: My point of order is that no debate can take place or no amendment be moved on an item in the Estimates.

MR. SPEAKER: I know there is a rule of the House to the effect that there can be no debate upon an item in the Estimates, but I do not think the present amendment can properly be brought within the sphere of that rule. The debate, it is true, involves the principle of representation at Washington, in a measure; but the amendment calls for the production of papers and generally asks for delay. It is possible that there may be a certain amount of discussion which would infringe the rule referred to, but it does not seem to me that the substance and in the main, the purport of the amendment comes within the rule that the hon. gentleman has in mind.

MR. LEMIEUX: Mr. Speaker, this is not an amendment to an item in the Estimates. It is an amendment before going into Committee of Supply.

SIR GEORGE FOSTER: Committee of Ways and Means.

MR. LEMIEUX: Mr. Speaker, I think that Canada is liable to be involved in this game of diplomacy, of pseudo-diplomacy. What will happen? My hon. friend says that the Canadian representative and the British representative, living possibly under the same roof in the same Embassy, will replace each other at different times. My hon. friend very well knows that cases like the one which occurred in the eighties are liable to happen at any time. My hon. friend will remember that the British Ambassador to the United States in the eighties, when Mr. Cleveland was a candidate in the presidential election, expressed his views about that election in a letter written to a friend. It created quite a hubbub in the United States. The incident occurred on the eve of a presidential election when, as my hon. friend knows, some Americans are very fond of twisting the Lion's tail. The British Ambassador was recalled, and had to retire to Great Britain, and there was a state of excitement for a while. In such a case as that would the Canadian minister be also told to go back to his own country? My hon. friend can see that living together—the one acting for the other as he described this evening—Canada is liable to come to grief on many and many questions, some indifferent, some insignificant by themselves. My hon. friend asks what are we doing otherwise than the hon. gentleman himself—the mover of the amendment—did, when he went to Washington in 1911 and discussed not a treaty but a pact which was liable to be recalled at any time by the notice of either of the parties to it.

My hon. friend said, speaking of the hon. member for Shelburne and Queen's, "You went to Washington." Yes, the hon. gentleman went to Washington, and ten years afterwards my hon. friend can smile over the campaign which took place over that visit. You remember, Mr. Speaker, how the hon. gentleman, with his late colleague, Mr. Paterson, was represented as being an old and feeble minister, who had lost all strength and could not carry the burden, the immense burden he had on his shoulders on that occasion. Well, ten years have elapsed and, judging from the speech which he delivered here this evening, the member for Shelburne and Queen's is still there, Mr. Speaker. And what is most interesting is that those who made these foolish appeals against "truck and trade" with the United States; those who for a while played with fire, have since practically adopted that very policy. The policies advocated by my hon. friend (Mr. Fielding) under the head of reciprocity have been carried out by the right hon. gentleman.

MR. SPEAKER: Order.

MR. LEMIEUX: You were not in the chair, Mr. Speaker, when reciprocity was first mentioned in this debate. Had you been in the chair, I am sure that, knowing as you do by long experience that a word is sometimes as magic and may give rise to a long debate, you would have stopped my hon. friend who sits opposite. We have, my right hon. friend says, by secret correspondence and secret *pourparlers* settled the Status of Canada. We have appointed a Minister Plenipotentiary, but we have no information to give to the House: the people's representatives are not entitled to full information. Then, turning to the mover of the amendment, he says: You did the same with the reciprocity treaty—which, Mr. Speaker, was not a treaty. I say to my hon. friend—

MR. SPEAKER: There is no objection to referring to the manner in which the reciprocity agreement was negotiated. That is one thing, but it is quite a different thing to discuss the merits of reciprocity itself and its effect.

MR. LEMIEUX: To be sure, Mr. Speaker, I will avoid that rock; I will not resurrect the issue of 1911. But my hon. friend says that all was secret in the proceedings with regard to reciprocity. If I remember well, we discussed it openly in the House of Commons. The agreement was laid on the Table; the House was dissolved in the old Liberal fashion and the people were called upon to pass the proposal. Moreover, the question was not a new one; it was as old as Confederation. My right hon. friend was not in the House in 1879, but he knows that Sir John A. Macdonald inserted in his famous tariff resolutions of 1879 a standing offer in the name of the Canadian people to the United States respecting reciprocity—an offer, you will note, made by the Tory party. Now, Mr. Speaker, I will leave reciprocity alone.

With regard to any item of expenditure, whether it be for a thousand dollars or a million dollars, the humblest member of this House has the right to move for a return asking that the correspondence, the statistics, the information, be laid on the

Table of the House. It can be made the subject of debate, and under our Parliamentary procedure the ministers responsible are obliged to lay on the Table a return giving the whole of that information. But apparently the hon. gentleman has been so much accustomed during the last five years to govern in the old Tory fashion, at his own sweet will, without any regard for the people, that he thinks that the appointment of an Ambassador to Washington, a change in the status of Canada, can be made without regard to the representatives of the Canadian people. Mr. Speaker, we hear so much about our relations with the Mother Country having been so greatly changed during the War; about a new status having been given to Canada, when still ringing in our ears we have the words of that master of the English tongue, that master mind, perhaps the most marvellous student of parliamentary government, Mr. Asquith, who, answering the Prime Minister of New Zealand in 1911, stated in his own blunt English way that as regards foreign affairs the responsibilities of Great Britain could not be shared with the Dominions. Why, that is the A B C of international law. And, Mr. Speaker, lest my language should appear severe; lest my language should appear, perhaps, disloyal, let me once more read to my hon. friend the advice which was tendered to the Canadian people by one of the greatest men Canada ever produced—by that old statesman who during his last election uttered those remarkable words which carried him through to success: "A British subject I was born, a British subject I will die"—Sir John A. Macdonald. Speaking one day of all those Imperialistic apostles, of all those framers of new constitutions for Canada, he said in his own cynical and witty way:

I am, so far as that question goes, up to the handle a home-ruler. We will govern our own country. We will put on the taxes ourselves. If we choose to misgovern ourselves—

As we do now, unfortunately.

—we will do so, and we do not desire England, Ireland or Scotland to tell us we are fools. We will say: If we are fools we will keep our folly to ourselves; you will not be the worse for it and we will not be the worse for any folly of yours.

Mr. Speaker, those words bristle with wisdom and with common sense. Do not meddle in the affairs of the Mother Country, and the Mother Country will let us govern ourselves. We have governed ourselves during the last seventy-five years according to British traditions, according to the best constitutional usages. Do not accustom the people to unwise words. Do not accustom the people to think that the Ministers of the Canadian Government are viewing with a light heart the loosening of the moorings which bind us to the Mother Country. Speaking for myself, Sir, and for my electors in the old province of Quebec, I am satisfied with my lot; I do not care for any change brought about by the policy of Lord Milner and by a Tory Government. Let Providence shape our destiny; let us not get into entanglements for the pleasure of having, supposedly, a Canadian Minister Plenipotentiary, but which, as that Unionist paper, the *Winnipeg Free Press*, so well said, will be nothing more or less than a camouflaged chief clerk.

RT. HON. C. J. DOHERTY (Minister of Justice): Mr. Speaker, I do not rise to take part in this debate, I frankly admit, because it seems to me that at this stage nothing further need be said to make quite clear the futility of the proposed amendment and to make not only the members of this House but the people of Canada realize how hon. gentlemen opposite, failing entirely to find a basis for this amendment in any matter of fact, have been reduced one after another to struggling with their imagination in an endeavour to conjure up untold evils that we are to apprehend, because there has been laid before the House in full the result of what this Government has done in co-operation with the Government of the United Kingdom and with the acceptance of the Government of the United States. In this competition of imaginative powers I am sure the speakers opposite who have preceded me will find no fault nor complaint that I am doing them an injustice, great as their achievements in the exercise of their imaginative powers have been, when I award the palm to my very good friend the hon. member for Maisonneuve (Mr. Lemieux). To lay the foundation of this edifice of terror which he has been at such pains to build up, the hon. gentleman had to carry us back—he is very fond of carrying us back—to the time in 1847—or 1848, was it?—when we had in this country a struggle for responsible government. That struggle for responsible government seems to haunt the hon. member's waking hours, and I often wonder whether it breaks in even upon his slumbers. He is so constantly in a state of terror, beholding this country on the brink of an abyss to which nothing is comparable but the condition

and the danger to which it was exposed in 1847. He is living still away back in 1847, surrounded with the dangers of 1847, living in the Canada of 1847, the Canada that must have been so horrible a place to live in since it was perpetually haunted by that most awful of spooks, the Family Compact. The hon. gentleman is still in dread and terror of the Family Compact that went to its rest so very many years ago and that has long ceased to trouble the waking thoughts or the sleeping dreams of ordinary, sane Canadians who have grown up with their country and who have been conscious of their country's growth. The hon. gentleman says: Responsible Government is in peril. Why? Because the responsible Government of Canada, having advised His Majesty, as it is the proper function of responsible Ministers to do, that the time has come when Canada might very properly transact her business with her next-door neighbour, and having found that His Majesty's Government said: "Why, certainly that is perfectly obvious; everybody recognizes that"; and that the Government of the United States said: "Why, certainly, your representative will be most welcome"—the Government, as I say, having given that advice and having met with that reception, has come back to this Parliament and told this Parliament the totality of what it has done. Therefore, he says, the constitution is in danger. Why, here is this responsible Government right before this Parliament, the representatives of the people. If, in doing that, this Government has done anything which the people's representatives do not approve, let the hon. gentleman calm his fears; we are here in the hands of Parliament which the people of Canada elected, and if the people's representatives do not approve this thing, clear and plain as it is on its face, of which they have been fully informed, let them exercise their constitutional authority, and neither the Parliament nor the people of Canada will be for one moment bound by anything that has been done. Where is the danger to constitutional Government?

The leader of the Opposition (Mr. Mackenzie King) said that the great question involved was the supremacy of Parliament on the one hand or the autocracy of the Cabinet on the other. In that expression he ran the hon. member for Maisonneuve (Mr. Lemieux) a very close second in evidence of powers of imagination. The autocracy of the Cabinet that stands here before Parliament to accept its judgment! Where is the supremacy? To-night the supremacy is in the hands of this Parliament to which we have told what we have done. If this Parliament thinks we have done right, well and good. If this Parliament thinks we have done wrong, it is in its hands to correct the wrong. Let me point this out. Hon. gentlemen have told us that they keep for another occasion their objections to what we have done; they will not to-night even question the wisdom of what we have done; they are satisfied to question the amount of information that they have received. It is a fair inference that on the information they have received they find no ground to question the wisdom of what we have done. It is true that while they have professed not to be questioning the wisdom of what we have done, they have wandered away—I think my hon. friend (Mr. Lemieux) was a particularly great sinner in that regard—from the subject of this sparsity of information and have indulged in some condemnation of the action itself. But the amendment—they are quite right in that regard—does not raise the question of the wisdom of the action itself; it does not attack it, it does not question it, and I do not think it will be unfair if I suggest that they do not question the wisdom of that action, because they, like us, are absolutely satisfied that it will meet with the approval of the Canadian people. The hon. gentleman is worried about the whys and the wherefores. If the hon. gentleman does not know the whys and the wherefores which justify Canada attending to her own business, the people of Canada know all about them, and do not need to be told them over again. There are some things so obvious, there are some things so much a matter of common knowledge, that they do not call for repetition, and I am telling no secrets if I say that in the correspondence that did take place there is no discussion of whys and wherefores. The thing itself in principle nobody disputes, and the Canadian people will not dispute it.

Now the hon. gentleman—and I should like to relieve his mind in this regard, because I would be sorry that he should lose his sleep to-night—is much perturbed by a ghost that walks often in his imagination, the ghost of somebody's mysterious efforts to create a system of Imperialism that in some way or other is going to deprive us of our Canadian autonomy. He is so subject to the visits of that troublesome ghost that it comes between him and every step that goes to confirm and extend the autonomous powers of this country. Every time a step of that kind is taken, this ghost passes across the line of vision that intervenes between my hon. friend and his

advancing country, and he sees Imperialism; he sees something that is going to deprive us of our right to uphold our own self-government, something that is going to involve us in frightful responsibilities, and then he winds it all up by seeing in the very same thing something that is going to loosen the bonds that bind this country to the Mother Country and hold together the great commonwealth of nations that we call the British Empire. Now I would, if I could, do something to allay his apprehensions in this regard. I would ask him if he were not making a speech, if he did not feel called upon to find words of condemnation of some action of this Government, but were engaged in the ordinary application of his common sense—I would ask him how he sees in the fact that Canada is going to provide a Canadian appointed by His Majesty upon the advice of the Canadian Government to be the channel of communication between Canada and the United States, a danger to Canada's autonomy.

He has told us that this proposal is all camouflage, that Canada could not appoint a Minister Plenipotentiary, that none but an independent country could appoint a Minister Plenipotentiary. Well, now, Canada is not going to appoint a Minister Plenipotentiary, but His Majesty the King, who is the King of Canada just as much as he is the King of the United Kingdom, upon the advice of his constitutional Canadian advisers is going to appoint a Minister Plenipotentiary to be his representative at Washington, his delegate to the United States, so far as Canadian matters are concerned; and with all respect to the hon. gentleman's profound knowledge of international law, and the readiness with which he tells us that upon this side of the House we do not know the A B C of international law I venture to say to him that he will find no competent international lawyer who will question the power of His Majesty the King to appoint a Minister Plenipotentiary in the right of his Dominion of Canada. May I also tell him, since he seems to be singularly oblivious of the things that have been happening under all our eyes, that at the Peace Conference His Majesty exercised that power and did the thing that the hon. gentleman says that anybody who knows the A B C of international law would know he could not do. He did it, and those Canadian Plenipotentiaries, in that quality of Minister Plenipotentiary, walked into the gathering of Ministers Plenipotentiary representing the states of the civilized world and were received and seated there on a footing of equality with His Majesty's Ministers Plenipotentiary representing the United Kingdom, with the Ministers Plenipotentiary representing the United States, with the Ministers Plenipotentiary representing France, Belgium and all the nations of the earth. Yet the hon. gentleman says that if he knew the A B C of international law we would know that Canada could not have a Minister Plenipotentiary. Now Canada has had Ministers Plenipotentiary. His Majesty named them upon the advice of his Canadian Ministers, and His Majesty will name a Minister Plenipotentiary to go to Washington to be his representative there for the direction of purely Canadian affairs, and that Minister Plenipotentiary will be Canada's Minister Plenipotentiary, the hon. gentleman's profound knowledge of international law to the contrary notwithstanding. The A B C of international law is away back in that past in which the hon. gentleman lives. It is prior to 1847, where dwell the spooks that trouble his days and his nights. It is very far back. Might I suggest to the hon. gentleman that he cast his eye on what I might describe as the X Y Z of international law, on the latest developments, and then he will find to his great gratification that his country stands to-day in a position in which it is quite possible for her to have a Minister Plenipotentiary standing side by side with other Ministers Plenipotentiary on a footing of equality. I might say to my hon. friend, as he talks to us about the A B C of international law, that this is not the only known case. When the German Empire was at the height of its power Bavaria and several other countries had their distinct Ministers. It is not at all an impossible thing that within one state, within one great international empire, you may have a number of nations, all capable of figuring in the society of nations.

The hon. gentleman is very apprehensive of what is going to happen when there comes to be a conflict of interests, as he says there may be, and he imagines it may come at a time when the British Ambassador has gone home to England. During his absence there comes to be a conflict of interest between Canada and the Mother Country or some other portion of the Empire, and the hon. gentleman is appalled as to what is going to happen.

Why, I think he would give the Canadian representative, or the British Ambassador, if he should be acting alone, credit for a little common sense; and most assuredly, if the hon. gentleman himself were representing Canada under those

circumstances, I would have the most implicit trust in him that he would realize that in a conflict of interests it would be the duty of both Ambassadors to refer the matter to their respective Governments. Then it would be for the Governments of the self-governing nations of the Empire to get together and give instructions to their respective representatives, and above all to give to the representative of the British Empire, the instructions that rest upon the conclusions coming from the consultation of all the nations of the British Empire. The hon. gentleman need not be anxious, I think, upon that ground.

Now, the hon. gentleman gave us grave warning about playing with fire. He is so anxious that we should attend to our own affairs and do our own governing, and he has a horror of the old Tory days of the Family Compact and, I suppose of government from Downing Street. But what does he quote as a warning? What the *London Times* says.

MR. LEMIEUX: The Canadian correspondent.

MR. DOHERTY: Yes, the Canadian correspondent of the *London Times*. He thought that we were playing with fire and that there were grave dangers—I do not remember the exact words—involved in playing at diplomacy. With all respect to Sir John Willison, we are not playing with diplomacy; and with all respect to the hon. gentleman who is now evidently so devout a follower of Sir John Willison—seeing that he hangs on the words of wisdom dropping from the knight's mouth—we are not playing at diplomacy at all; we are getting back to the very simple position that I mentioned at the outset where Canadian business with the American people, our next-door neighbours, will be transacted—in all the forms of diplomacy if you will, as it must be—through a Canadian appointed by His Majesty upon the advice of the Canadian Government. If that can be anything else than a rounding out of our powers of self-government, I am at a loss to imagine what it can be.

The hon. gentleman sees us involved in grave international troubles. There once was a British Ambassador at Washington who wrote a letter about their elections that the American people did not like, and the British Government recalled him. Now, on the hon. gentleman's advice, because we run that frightful risk, we should drop this project at once, because perhaps at some time our Canadian representative may write a letter that the American people may not like! And notwithstanding, if I accept his own view, that he was at such pains to point out to us the different occasions upon which our interests suffered because they were in the hands of exclusively British representatives, we must be on our guard not to have any representative of our own. The hon. gentleman was at pains to recall the Alaskan arbitration board, and pointed out the change made by the British member on that board. To what end? To warn us to have no representative of our own. After pointing out that if we had not had two representatives of our own upon that tribunal we would have had no one to support our view, he says: You see, the British representative turned against Canada; the conclusion is, be careful never to be represented by any Canadian; always be represented by exclusively British representatives, because there have been British representatives who have abandoned Canada's interests. I am not going to discuss whether there have been such British representatives, but out of the hon. gentleman's own mouth, if his statement be correct, comes the most conclusive argument why we ought to see to it that we have representatives of our own.

The hon. gentleman made a great contrast between what happened on the reciprocity treaty and on this matter, how openly they acted upon that treaty—just as openly as we are here to-night discussing this agreement—after it was made they brought it in and submitted it to Parliament.

MR. LEMIEUX: And the correspondence.

MR. DOHERTY: Yes, they brought in the correspondence, and if there had been correspondence here of a nature to be useful in connexion with this discussion, it might very well have been produced. But there is the question: How is the correspondence going to affect the question whether what has been done was the right thing to do or the wrong thing to do. That is the thing we did, that is the thing which is here for the fullest and freest discussion by hon. members and the people of Canada, and that is the thing for which we are responsible, and for which we are proud to be responsible, and for which we fear neither the verdict of this House nor the verdict of the people of this Dominion.

Now, the hon. gentleman is very much excited about what he calls the "hollow farce" of our status. No one has claimed that this particular arrangement has changed our status; it is the evidence of a change of status that has come as the result of a gradual growth. With regard to what happened during the War, I

would say this: that the magnificent achievements of our soldiers, and the magnificent achievements of the Canadian people, did not change our status, but made manifest to the world and commanded on the part of the world recognition of the fact that we had attained a real national status. That is what has come: that recognition and the responsibility which accompanies it. This arrangement is another evidence of it. And yet the hon. gentleman talks about it as a hollow farce!

Why is it that hon. gentlemen are so frightened that the country should ever leave the national apron-strings? I presume they must be glad to see her growth, yet they do not want her to have the privileges and the responsibilities that come from growth; they are in a corner frightened at shadows, seeing on every side impending dangers, and shrinking back from the manhood—if I may change the sex of our country for the moment—that has come to this Canada at last.

What would any man think of his son who, having reached the status of manhood, would say: "It is true I am a man, with the developed force and reasoning power of a man, with the right of being consulted about common matters that belong to the status of a man; but no, Mother, please let me keep a good strong hold of your apron-strings; because, you see, if I acknowledge manhood I might have to carry the responsibilities of manhood; there might even come a day when I might be responsible for some foolish letter that somebody wrote!" The hon. gentleman knows his country too well and loves her better than to believe that. He did not hesitate to tell us that we were not serious, that we were not sincere. He may from his point of view think that we are neither serious nor sincere, but I for my part will not throw that back at him. I do not doubt his sincerity, nor do I doubt his seriousness; but, knowing as I do the intelligence and the capacity of the hon. gentleman, it is a puzzle to me how he justifies that cowering attitude on the part of his country, that he is so frightened at her assuming the responsibilities of nationhood, that he is so frightened of it that he is even willing to forego the status and the privileges of nationhood for fear that we might be called upon to carry the proper responsibilities associated with that nationhood. What he fears is that somebody is plotting to carry this country into something he calls Imperialism. Upon this side of the House there is no less desire and no less firm purpose that there is on the part of my hon. friend that there shall be preserved to Canada for all time the untrammelled rights that she enjoys to-day and to ensure that she shall continue to be entitled to the recognition of her status as an equal nation within this Empire. That determination is as strong on this side of the House as it can be in his breast, and nothing is being done here, or by this Government, otherwise than that which is in the direction of consolidating and confirming that autonomous status of our country. We have gone further, because we are advancing farther than those who have preceded us. I do not say that they were not looking in the same direction, but there is just as earnest determination to hold together this aggregation of nations, of which Canada is one—not an inferior one, not a dependency, but a nation standing on that footing of equality that she can just as well furnish the British Ambassador as representing the entire Empire as the United Kingdom can. The United Kingdom is not herself and alone the Empire. There is nothing incongruous in a Canadian Minister being the representative from time to time, if not permanently for the matter of that, of the British Empire, if it be thought wise by the other component parts of the British Empire. It is only an additional evidence of the recognition of the equality of our status within the Empire, but here we are as determined to stand by Canada's rights to her position as an autonomous nation within the Empire as the hon. gentleman can be, and that she shall maintain and hold her place in the great aggregation, the great commonwealth, of equal nations that go to make up the British Empire. My hon. friend need have no fear that we are wandering away from the example of that great statesman Sir John Macdonald, whose words he read to us.

HON. H. S. BELAND (Beauce): Before the Minister sits down may I ask him a question? I see by the declaration that was made by the right hon. the Acting Prime Minister (Sir George Foster) that the Minister Plenipotentiary is going to be appointed by His Majesty on the recommendation of the Canadian Government. Do I understand that this recommendation will go direct to His Majesty without first being submitted to the British Government. In other words, is the appointment to be made by His Majesty the King on the recommendation of the Canadian Government without the question being referred at all to the English or Imperial Government?

MR. DOHERTY: We have no doubt that His Majesty will not withhold from his British Ministers his action in connexion with the matter, but the statement is perfectly clear that the person to be appointed is to be appointed on the advice of his Canadian Minister, just as the Ministers Plenipotentiary at the Peace Conference were. I am not suggesting, and I do not know that there is occasion to suggest, that it is impossible, that, if the Ministers of the United Kingdom see some reason why they should offer an objection, or possibly the Ministers of other Dominions see some reason for opposition, they can suggest it. I am not going into that. The proposed channel by which the advice gets to His Majesty does not alter the fact that it will be the advice of His Majesty's Canadian Ministers.

MR. BELAND: In other words, according to the Government's understanding of the appointment of the Minister at Washington, the Canadian Government is not supreme as the adviser of His Majesty?

MR. DOHERTY: As far as I understand it the Canadian Government is supreme as the adviser of His Majesty:

Accordingly it has been agreed that His Majesty, on advice of his Canadian Ministers, shall appoint a Minister Plenipotentiary who will have charge of Canadian affairs and will at all times be the ordinary channel of communication with the United States Government in matters of purely Canadian concern, acting upon instructions from and reporting direct to the Canadian Government.

I can see no room for suggesting even a doubt that the advice of the Canadian Ministers is to be supreme as to who shall be the Canadian Minister or Plenipotentiary.

MR. BELAND: So that the recommendation will go direct to His Majesty?

MR. DOHERTY: Whatever is the regular channel by which communications reach His Majesty.

MR. LAPOINTE: Hear, hear; that is very diplomatic.

MR. JOSEPH ARCHAMBAULT (Chambly and Vercheres): Mr. Speaker, like my hon. friend the Minister of Justice (Mr. Doherty), I did not intend to speak on this amendment, and I would not have risen were it not for the fact that the hon. the President of the Privy Council (Mr. Rowell) referred to Hansard of last year. I have found a few lines which my hon. friend has not read, to which he has not referred, and which might be of great interest to the House. When my hon. friend stated that the matter of the appointment of a Minister Plenipotentiary at Washington was fully discussed and approved by the Opposition last year he did not state really what happened. I am sure he did not wish to deceive the House, but if he did not wish to deceive, what has become of his power of observation?

MR. ROWELL: My hon. friend has not quoted what I said to-night. I said to-night that the question of the Canadian representative at Washington had been discussed in the House on the occasions I mentioned, and that there had been no objection to the principle of that appointment.

MR. ARCHAMBAULT: Exactly. At page 2077 of Hansard of 5th May, 1919—and if I remember well my hon. friend cited 5th May—I find the following:

Mr. E. Lapointe: Has the Government brought down any legislation as regards this representation at Washington? I suppose the Order in Council business is going to be closed up.

Mr. Rowell: The voting of the Estimate by the House would be all that would be necessary to appoint a representative at Washington. Next session, when the matter is more fully understood, and we know exactly the relations, it may be considered desirable to introduce legislation.

Do I understand that my hon. friend by legislation means Orders in Council? Or a resolution? What kind of legislation has been introduced in the House this session? Is it not a fact that it was an Order in Council, and that my hon. friend made an announcement to the House stating that an Ambassador, a Minister Plenipotentiary, was going to be appointed at Washington. Is that the kind of "legislation" my hon. friend referred to last year? But let me resume the quotation:

Mr. Archambault: Have we as a nation the right to appoint a diplomatic agent at Washington?

Mr. Rowell: We have no right, except with the concurrence of the Imperial Government, to appoint a diplomatic agent, but the question of the status of this representative is now a matter of conference between the Prime Minister of Canada and the Imperial Government.

Mr. Archambault: We should not pass this Estimate before having power from the Imperial Government.

Mr. Rowell: My hon. friend need not worry. We shall have an understanding with the Imperial Government, and we shall have a Canadian representative at Washington.

A question by Mr. McMaster and a reply by the President of the Privy Council follow. Then comes another question from myself:

Mr. Archambault: Have the Imperial authorities agreed to that?

Mr. Rowell: They are agreed that we should have representation at Washington.

Mr. Archambault: Is there any correspondence to that effect?

Mr. Rowell: There are certain confidential communications between the Prime Minister of Canada and the Imperial Government. Negotiations are not yet closed. As soon as they are closed I am sure the Prime Minister will lay the whole matter before the House, but he is conducting negotiations personally in Great Britain.

I was under the impression that negotiations were closed. If they are closed, what becomes of the statement made by my hon. friend last year that when the subject would be closed the Prime Minister would lay the whole matter before the House? The Prime Minister spoke to-night, and he stated emphatically that he would not lay anything before the House, that no publication would be allowed. May I ask what are the reasons for not divulging the communications which have been exchanged? Are my hon. friends opposite afraid that these negotiations will bring criticism from this side of the House? If they are not, why not disclose the facts? However, it is not the first time that we have been refused information here. When I asked very reasonable questions about the expense of the Canadian National railways we met with a point-blank refusal from the Minister. I believe, Sir, that in pursuing this course we are departing from responsible government, and in my opinion the amendment of the hon. member for Shelburne and Queen's should be adopted.

Amendment of Mr. Fielding negatived on the following division: Yeas 63, Nays 68.

24394

No. 93.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.37 p.m., 15th May, 1920.)

TELEGRAM.

[Answered by No. 94.]

(Paraphrase.)

15TH MAY. Canadian representation at Washington. As this question has been raised in Parliament the publication of the correspondence is under consideration of my Ministers. They feel that for the present it would not be in the public interest to bring down the correspondence as it deals so largely with points regarding which the United States Government evidently feel that (?public) discussion at this time would not be desirable, and to separate these points from the correspondence is impracticable.

My Ministers would be glad to have views of His Majesty's Government on question raised.—DEVONSHIRE.

25857

No. 94.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.55 p.m., 27th May, 1920.)

TELEGRAM.

(Paraphrase.)

REFERRING to your telegram 15th May,* His Majesty's Government concur in view of your Government that publication of correspondence regarding Canadian representation at Washington is undesirable.—MILNER.

* No. 93.

26705

No. 95.

SIR G. PERLEY (HIGH COMMISSIONER) to SIR G. FIDDES (COLONIAL OFFICE).

(Received 31st May, 1920.)

[Answered by No. 96.]

19, Victoria Street, London, S.W.1,

29th May, 1920.

DEAR SIR GEORGE FIDDES,

IN connexion with the arrangements for appointing a Canadian Minister in Washington and the many communications which have passed between the two Governments on the subject, there is one point which is not yet plain to me, and which you can perhaps clear up. I refer to the question of his precedence in relation to the Ministers from other countries. For instance, let us suppose that the Canadian Minister were now appointed and remained so long in office that the Ministers from all the other countries (I am, of course, not now referring to Ambassadors) had been changed in the meantime, would the Canadian Minister then be the doyen of all the Ministers and have precedence over others? A prominent Canadian was in my office the other day asking about this, and I was unable to give him a definite reply. Perhaps you can help me to do so.

Yours sincerely,

GEORGE H. PERLEY.

26705

No. 96.

SIR G. FIDDES (COLONIAL OFFICE) to SIR G. PERLEY (HIGH COMMISSIONER).

(Confidential.)

DEAR SIR GEORGE PERLEY,

Downing Street, 3rd June, 1920.

IN reply to your letter of the 29th ultimo* I am afraid that you would find it difficult to give any definite reply to inquirers as regards the precedence of the Canadian Representative at Washington. You are already aware from the telegram from the Officer Administering the Government of Canada of the 8th of May† (which was forwarded to you on the 12th of May) that your Government, while stating their views, do not propose to make further representations to Washington at the moment "as they do not anticipate that any real difficulty will arise in actual practice."

There was a Conference in Washington in April between Mr. Rowell and Mr. Polk of the State Department, and the latter then explained to Mr. Rowell the difficulties which he foresaw in giving effect to the wishes of the Canadian Government. Mr. Polk recommended that no attempt should be made now to arrive at a hard and fast decision, that the Canadian Representative should come to Washington, and that we should trust to the process of evolution to find some way out of the difficulty. It would seem from the telegram of the 8th of May that, in practice, the Canadian Government have accepted this solution.

Of course, you realize that this is not a matter in which we should have any claim to impose our views on the United States. Precedence at Washington is obviously a matter for the United States Government, and they in turn are bound to deal with it in accordance with established international practice.

I am afraid that this will not be very helpful to you, but at any rate it will enable you to know how the matter stands at present.

Yours sincerely,

G. V. FIDDES

* No. 95.

† No. 88.

36890

No. 97.

EXTRACT FROM DEBATE IN THE CANADIAN HOUSE OF COMMONS.
30TH JUNE, 1920

CANADIAN REPRESENTATION AT WASHINGTON.

MR. ROWELL: I beg to move to amend that item by substituting for the words "at Washington" the words "in the United States." I do that because the Auditor-General thinks that under the present designation the vote might be limited to Washington, whereas it includes both the New York and Washington offices.

Amendment agreed to.

Mr. Fielding: Has the Minister any further information to give us concerning this item?

Mr. Rowell: I do not know just what my honourable friend has in view.

Mr. Fielding: I believe that many honourable members of this House, who are more willing perhaps than I am—although I am not always unwilling to support the measures which the Government bring down, will join with me in a protest—it may be in silence—against the action of the Government in again endeavouring to commit this Parliament to the very grave and important step which is introduced by this proposal in the absence of any information dealing with the subject. I think it is an amazing situation that the Government should ask Parliament to vote this money in face of the fact that we have not been able to get any information concerning the purpose for which it is asked. I take exception to it from various standpoints. I quite realize that in the carrying on of public affairs it is sometimes necessary to withhold documents from Parliament; I know we have occasions in connexion with our public affairs when that is so. But I am afraid this Government is overplaying the part of custodian of confidential documents. We had here last night a long discussion on the Board of Commerce arising out of the fact that the Government had suppressed public documents which really should have been given to Parliament long ago.

Two years ago the ministers returned from the Imperial Conference. I have no doubt conferences are useful in a general way, but the only particular feature of that conference that the Government reported to this House, and dwelt upon, was an arrangement whereby a channel of communication was to be opened between the Canadian and Imperial Governments. In times past it has been customary to have the transactions put through the Colonial Office. We were told, and it was represented to be a matter of grave importance, that in future the Prime Minister of Canada was to have the right to communicate direct with the Prime Minister of Great Britain. This was represented to Parliament as being a very grave and important step. After the lapse of two years I thought it might be desirable to find out how far this new privilege had been found useful. Therefore I obtained an Order of the House asking if we might receive copies of whatever correspondence had taken place under this new arrangement, and the return came down that in that time certain correspondence had taken place but it was confidential and no scrap of it could be laid before Parliament.

Now we have this Washington business. It is a very grave step. On a previous occasion I pointed out that it is nearer to a constitutional change than anything else that has recently occurred, and yet we are asked to commit ourselves to that project without a line of correspondence dealing with the subject. I am strong in my doubt as to the wisdom of the course that is proposed, and whether I agree or not as to the desirability of having representation at Washington I think that almost all honourable gentlemen who listen to me will feel, as I do, that Parliament should long ago have been taken into the confidence of the Government and given to know what all this means. It is on that ground, therefore, that I protest what has taken place.

But on the merits of the question—I speak for myself alone—I have grave doubts as to the wisdom or value of the proposition. I have had some experience of official transactions between Ottawa and Washington, and I have had considerable opportunity, like other honourable members, and irrespective of my own official connexion with matters of this kind, of observing what has occurred. I might point out that if any reason exists why there should be a change in the existing system Parliament has never been informed of it. No honourable member can point to a single case that has been presented to us by the Government to indicate that there is any need for a change at all. I think that is a consideration of importance. If difficulties have arisen between the Canadian Government and the American

Government, or between the Canadian Government and the Imperial Government, out of the existing order of things, I think it is only fair and reasonable that we should know what these difficulties are in order to justify the steps which it is proposed to take.

There is no intelligent public opinion on this question. In the previous discussion—although I can only be permitted a passing reference to it—it was alleged that many newspapers of the Dominion had viewed this proposal with favour. To some extent that is true, but how could there be any intelligent public opinion on the subject when no information has been given to the House of Commons to show what the object of it is? It cannot be said that there is any intelligent and well-informed public opinion upon the subject. I have never heard any general reason given calling for this change. We read occasionally in the press that we need something of this sort because of the difficulties of our present system, and we are told that if we have any transaction with the Government at Washington we must first send our communication across the water to the Imperial Government. We will send it to the Colonial Office, the Colonial Office will send it to the Foreign Office, the Foreign Office will send it to the Government at Washington, and gradually, after the lapse of a long time, our wishes will be made known at Washington. That is the story that is told. That is the only reason that I have ever heard given in the public press or in Parliament for making the change. Is that reason well founded? Does it represent the facts? I say it does not. I say it is a pure dream as to the condition of affairs existing between this Government and Washington. There was a time, no doubt, in the olden days, when things were different, when this circumlocution office could be busily employed in the way indicated. But that time, if it existed at all, was long ago. For many years Canadian foreign affairs have not been dealt with in that way. We have had experience with relations between various governments, and as far as my own observation has gone we have never found the slightest difficulty in obtaining communication with a foreign government through the agency of the British Government. The great complaint has been that the Imperial Government has stood in the way of bringing the communications of Canada to the attention of other nations, but it is not within my knowledge or belief that any such cause of complaint exists.

For a number of years we have had the British Ambassadors at Washington coming to Canada for consultation. That has been the practice of British Ambassadors. Lord Bryce, in a particular degree, carried out that policy. He came to Ottawa once or twice a year and put himself in touch not only with the Government of the day but with public men whom he had an opportunity of meeting, and the result was that Lord Bryce was very well informed on all Canadian affairs. There was no difficulty whatever in the way of having Canadian affairs administered through the assistance of Lord Bryce or the British Ambassador at Washington. That was equally true of Sir Cecil Spring-Rice who succeeded him, and who, as I am not sure whether Lord Reading came to Ottawa; Lord Grey did not, but these gentlemen were only temporary appointments, and they were only at Washington a short time. But it is fair to assume that every British Ambassador hereafter to be appointed at Washington will in the future deem it his duty to visit Ottawa and put himself in communication with the Ministers of the Crown, showing that there is absolutely no need for any new system in order to have Canada properly represented.

Then there is another thought in connexion with this matter. It is proposed to have a gentleman at Washington who is to be the representative of Canada, and we are told that when the Ambassador is away he will be the representative of Great Britain. Well, I am afraid, sir, that makes the situation worse rather than better, because while he is representing Canada entirely he will have the responsibility to the Canadian Government and possibly to the Canadian Parliament—though Parliament does not seem to count in these matters I regret to say—but if he is to become, for the time being, British Ambassador then he no longer is responsible to the Government and Parliament of Canada—he must be responsible to the Imperial Government. It seems to me that is a fantastic arrangement, and there will be difficulty in connexion with it.

There is another thought that I venture to express. I believe that when any question of real importance arises between Canada and the United States you will have far better representation of Canada's interests if you do not rely upon some

gentleman who—I am quoting the words of an eminent Conservative of Montreal, in a letter to the press a short time ago describing this arrangement—will be given a desk in the office of the Ambassador. I believe that when any real business arises which requires consideration from the Canadian viewpoint it is a very much better arrangement to have a Minister of the Crown, fresh from consultation with his colleagues and fully informed of the Canadian position, leaving Ottawa in the evening, being at Washington by the next afternoon, and then being in a position to represent the interests of Canada. I am sure he would represent them much more intelligently and much more effectively than any gentleman who has been spending his time around Washington wondering what in the world he was going to do next. The whole tendency of this arrangement must be to give Canada a representative at Washington who holds a nominal position. The tendency will be that he will fall into a rut, and the rut of officialism we know very often leads to idleness. If there is anything really important to do the Government will, even now, I am sure, send a minister down from Ottawa to do it, and the gentleman who is supposed to represent Canada at Washington will really come to be a person of only nominal power. I do not think, sir, there is any need of this arrangement at all. I do not think any good can come of it. Canada stands so well now with the British Empire generally, and particularly with the Government in England—by reason of the splendid service she has given in the Great War—that I can understand the tendency of the British Government to assent to almost anything within, and even beyond, the bounds of reason that the Canadian Government may ask. It is flattering for us to know that that appreciation exists; but I am persuaded in my own mind that if the seasoned officers of the Colonial Office, and of the Foreign Office, could give us their private thought, they would tell us they find in this arrangement a very dangerous experiment indeed.

There is one other thought which is worthy of consideration, and it is the financial one. I do not present that as the main consideration, but it is a consideration to which we should give some weight. At this moment we are on the eve of separating, and members will go home to explain in many instances to their people why they were unable to obtain some particular grant which they desired, and to which their constituents attached importance—in one case a public work; in another case a breakwater to protect the fishermen's gear; in another case, dredging, either in the lakes or on the St. Lawrence, to open some harbour; a post office here, a public building there—a score of things which we all would like to have. We have got to go back to our constituencies and explain that although these things cost a few hundred or even a few thousand dollars we cannot afford them now; we have not got the money. It will be more difficult for honourable gentlemen to give that explanation to their constituents when they can be met with the statement that we are spending a large sum of money in creating this kindergarten school of diplomacy at Washington.

I have no objection to the extension of our relations with the United States. I have given many evidences in my public life that I attach the utmost importance to friendly relations with the great republic. I yield to no honourable member in this House my desire to establish such relation; and particularly am I anxious that we establish commercial relations. But I cannot see the necessity or the wisdom of our engaging in this expenditure. Last year \$50,000 was proposed for this purpose, this year it is to be \$80,000; depend upon it next year will be a great deal more. Washington, I believe, is, for persons in official life, the most expensive city in the world; and if we mean to establish at Washington anything which will compare with what we are pleased to call now our increasing status and our greater dignity, it is going to be a very expensive luxury. I do not feel that we need it. We have no information to justify us in doing this. I know there are some members of the House who are of the opinion that it is a great thing to have representation in the foreign courts. I am afraid I am lacking in the enthusiasm which some of them manifest in that way. At all events I strongly represent to you that this is an unnecessary expenditure, it is not a wise expenditure, it is an expenditure which is more likely to get us into trouble than to be of any substantial good.

There is still one further thought that I would like to express. Considering, sir, that we have no information on the subject, considering that we are going into a blind alley—these are not phrases that are too strong; honourable gentlemen know that they are just as much in the dark on the subject as I am—how far are we going to be obligated by this thing in the future? I am bound to say that in the

absence of any information, no Government that arises in the future can be expected to feel bound by any action that this Parliament now takes; and any gentleman who, under these circumstances and in the absence of any knowledge of what we are doing, accepts a position at Washington under this arrangement will be obliged to feel that he is taking very great risks. In all earnestness, and in all sincerity, I represent that I believe this is not only an unwise expenditure from the point of view of the public interest, but I believe it is unwise in other respects. No good can come of it, but much harm may result.

Mr. Rowell: One or two observations in answer to my honourable friend. The honourable member opened his remarks by intimating that after the Imperial Conference of 1918 the only important information given this House was in reference to improved channels of communication. I judge my honourable friend could not have been in the House at the first session of last year when the work of the Imperial Conference of 1918 was reviewed. I have Hansard for that year before me, and no less than forty pages are taken up with a discussion of the work of the Imperial Conference of 1918. Many questions came before that conference touching problems affecting Canada and the Empire as a whole. The resolutions of the conference on these matters were reported to the House and were discussed by honourable members for a period covering some hours. Five-sixths of those resolutions were laid on the table together with a printed report of the proceedings of the conference. So much for my honourable friend's reference to the Imperial Conference.

My honourable friend's references to Canadian representation at Washington are as lacking in solid foundation as that respecting the Imperial Conference. My honourable friend says that the House has no information. He declares that no papers are laid on the table. One would think it is not possible to obtain information except from documents. Let us suppose that the whole matter had been one of conference and negotiation between the Prime Minister of Canada and the Prime Minister of Great Britain, what documents would there be to lay upon the table? The statement would be that statement which the Prime Minister would make to the House, and in doing so he would impart full information to the House. When my right honourable friend, the Minister of Trade and Commerce, presented the statement to the House, he gave the substance and the really important features of the understanding and arrangement arrived at. That statement was agreed upon by both Governments. Does my honourable friend think that the details are a matter of contract and of bargain? That has not been the principle upon which the British Constitution has been worked out. There was an understanding, as was stated when the announcement was made to the House—an understanding which was repeated when the matter came up for discussion—that hereafter Canada should be represented at Washington by a minister plenipotentiary appointed by His Majesty on the recommendation of his Canadian Ministers; that that Minister should report to and take instructions from the Canadian Government; and that he should carry on his work there in co-operation with the British Ambassador and be a part of the British Embassy. Once you have a definition of the position and status of the Canadian representative, the rest follows as a natural and logical consequence. It would not be possible to define the precise limits of the duties and responsibilities of the Canadian Minister. From the very nature of the case the arrangements and the procedure must be flexible. There must be room for development in these relations, just as our Constitution has developed to meet changing conditions as they arise from time to time. And, further, the arrangement can be modified if necessary to meet new conditions. If the present arrangement does not prove entirely satisfactory, it can be modified. That is clearly understood. My honourable friend the Minister of Trade and Commerce, in the official statement he made to the House, gave the House the terms of the arrangement arrived at, and everything follows as a natural consequence.

Now, my honourable friend says that there is no occasion for such representation. Take the very matter that we have been considering in this House in the last few days—the coal situation—I merely use it as an illustration, showing how closely the two countries must be associated together in matters of trade where their vital interests are concerned. That is a case where we get supplies from the United States. Take another matter, the export of pulp and paper, that is a case where the United States get their supplies from us. Both of those questions are exciting very great interest in the two countries, and they are questions concerning which it is important that there should be no misunderstanding. Both

of these questions can be dealt with better by men who understand them, who know all the conditions and who can talk them over as man with man; that is the best means of arriving at a satisfactory solution. I merely mention those two matters to illustrate the class of cases that are constantly arising. Unquestionably it is in the interests of Canada to be represented at Washington by one of her own citizens, who knows Canadian conditions, who is in close touch with the Canadian Government, and who is constantly watching over Canadian interests in order that they may be safeguarded. I submit that this House could not more wisely expend this amount of public money than by voting this item for Canadian representation at Washington.

Mr. McMaster: Many years ago an English king endeavoured to promote the marriage of his son with a daughter of the king of Scotland by invading the northern kingdom, and a Scotch nobleman of the time said that he was not opposed to the match, but he did object to the manner of wooing. Now, that is very much my position in regard to this matter. I have no objection to Canadian national interests being represented at Washington by a Canadian; *au contraire*, I am very much in favour of it; but I am extremely doubtful of "the manner of wooing"—I am extremely opposed to the manner in which this matter has been introduced.

Some time ago the matter was before the House, and we asked for information, for the papers to be brought down. We were told by the Prime Minister, if I remember aright, that he had examined the documents, and had caused them to be examined by someone else, and that they had both decided that it was not necessary that Parliament should see the documents. Those were very doleful auspices under which to introduce this matter. It has been noticed in the British Liberal press, and the "Manchester Guardian" has stated, that it is too bad that this move has been attended by such unfortunate circumstances. That is the first objection I have to this Estimate. I wish also to protest emphatically against the wrong done to honourable members in bringing down an Estimate of this importance a few hours before we are supposed to finish the work of the session. It is not fair to honourable members, and it should not be done. There is no objection in my mind to our having a representative at Washington if we can afford it, and that is a question with which I do not propose to take up the time of the House to-night—but I say this: that the man who goes to Washington must be our representative, and in the absence of the British Ambassador must not be his *locum tenens*. I say that is the most dangerous proposal that could be made in connexion with this matter.

Let us suppose this case—and it is not an improbable one; it has happened in the past and may happen in the future—let us suppose, there is a divergence of opinion between Great Britain and Canada on some fisheries question, that the British Ambassador is away and the Canadian Ambassador is *locum tenens* for him. From whom is the *locum tenens* to take his instructions? Is he to take them from the British Government and go against the views of the Canadian Government? Or is he to take his instructions from the Canadian Government and go against the views of the British Government whom he is supposed to represent? I protest against this as an unwise provision, and I would think that this matter, involving as it does \$80,000, might well remain over until next session; although I wish to state very frankly that any movement by this or any other Government towards a full realization of Canadian nationality will always have my warm and enthusiastic support.

Sir Robert Borden: Mr. Chairman, the Estimate appeared last year, and my honourable friend has had something like fifteen months to consider it. Therefore I hardly appreciate his injured feeling in respect to lack of particulars.

Mr. McMaster: My right honourable friend will admit that this is the first occasion when we have been asked to vote for money. Is it not?

Sir Robert Borden: No. It was voted last year.

Mr. McMaster: Was the money spent?

Sir Robert Borden: No. My honourable friend has evidently given no more consideration to the Estimate than he has to this question. He has propounded what seems in his opinion to be a very difficult conundrum to answer. He says: Suppose the British Government has one point of view with respect to a particular matter and the Canadian Government has another point of view? I will answer his question by asking another. Suppose that condition arises when there is a British Ambassador and no one else at Washington, what is the British Ambassador to do?

Mr. McMaster: The British Ambassador, of course, will take his instructions from the British Government. But if the British Ambassador is away, and under the proposed legislation our man is there as *locum tenens*, he will have to follow either the instructions of the British Government or our instructions.

Sir Robert Borden: My honourable friend, I think, is under a complete misapprehension. If he pretends to say that the British Ambassador at Washington ought to follow the instructions of the British Government in respect to a matter of purely Canadian interest when the Canadian Government entertains precisely the opposite view, he takes a position which I am not prepared to accept, and which this Government never has accepted. The Canadian representative at Washington, if he were acting in the stead of the British Ambassador, would occupy exactly the same position as the British Ambassador has occupied in the past. In matters of purely Imperial concern he would act under the directions of the Imperial Government; in matters of purely Canadian concern he would consult with and act according to the views of this Government. That is the whole situation.

Mr. McMaster: May I put a question to my right honourable friend?

Sir Robert Borden: Certainly, as many as you like.

Mr. McMaster: Is it not possible that a question may come up which is of both Imperial and Canadian concern?

Sir Robert Borden: Certainly, but the position will be exactly the same whether the British Ambassador is there or whether the Canadian representative is acting in his place. My honourable friend has lost his usual logical sense of the fitness of things if he does not see that at once. Now, so far as the observations made by my honourable friend from Shelburne and Queen's (Mr. Fielding) are concerned, I should like to tell him that this is not so new a departure in point of principle as he imagines. How is it different in point of principle from the action of the late administration, Sir Wilfred Laurier's Government, of which he was a member, in establishing an International Joint Commission which for ten years has dealt with many matters that formerly were settled through diplomatic channels? Has any disadvantage thereby come to this country? Has that occasioned any detriment to the good relations between Canada and the United States? On the contrary, I venture to think that the International Joint Commission has been of the greatest possible advantage to the two countries, and has aided in maintaining good relations in respect of matters that might otherwise have led to serious dispute. Moreover, the Government of which my honourable friend was a member gave a somewhat new status to our representative in Paris, and we have acted upon that status. The only thing to which we objected when we came into power was this. We found Mr. Roy, a very able and capable man, acting in Paris for the Government of Canada and also for the Government of the Province of Quebec, and having his salary partly paid by the Dominion and partly by the province. We did not consider that a desirable condition of affairs, so we asked Mr. Roy to resign as representative of the province of Quebec and made good to him the difference in salary. I am bound to say that I believe his service in Paris has been of the greatest possible advantage to this country. He is in very close touch with the British Embassy there, he has established excellent relations with them, and he carries on, in some sense, diplomatic arrangements of a minor character, to the great advantage, I believe, of this country and the maintenance of good relations between Canada and France.

There is another thing that we might take into account. We have had in London for many years an officer called High Commissioner for Canada. He carries on very important negotiations between the Government of this country and the Government of the United Kingdom, being sometimes brought through his instructions into direct communication and relation with the Prime Minister of the United Kingdom and with the British Cabinet. I do not know that any disadvantage has resulted to anyone from that condition of affairs. I think that the service both of the High Commissioner in London and the Commissaire-Général in Paris have been of advantage to this country. I believe, notwithstanding all that has been said, that the presence at Washington of a Canadian representative will equally be of good service, and will promote good relations between the two countries.

I would like to tell my honourable friend that, much as I respect the very able officers in the Foreign Office, in the Colonial Office, and elsewhere in the British service, I should not be prepared to accept their view as to the desirability or otherwise of an arrangement of this kind. In a matter of that kind we ought to be able to judge

for ourselves; so far as I am concerned I do propose to judge for myself. I should add, however, that so far as I am aware of the opinion of the higher officials of the Foreign Office, they see no objection whatever to this proposed arrangement. I think it perfectly manifest that at some time we must have representation at Washington. About two-thirds or three-quarters of the business of the Embassy relates to Canadian interests. When we have ten, fifteen or twenty millions of people in this country, are we, in respect of their interests, in respect of their representation at Washington, to say that all these things can be better attended to by other people than by ourselves? Are we to relegate ourselves to a position in the background? I for one do not appreciate that point of view.

Mr. Mackenzie King: My right honourable friend is hardly correct when he says that Parliament voted last year the appropriation which the Government have asked for this year. Last year we voted \$50,000; this year the Government are asking for \$80,000, a difference of \$30,000. I think my right honourable friend will admit that that is quite correct.

Sir Robert Borden: I thought my honourable friend would understand that I was referring to the principle of the vote, not to the exact amount of it.

Mr. Mackenzie King: My right honourable friend attaches little importance to the exact amount. For my part every dollar is significant, and I propose to move that we strike out the \$80,000 which is being asked this year in excess of what was voted last year. If when this matter was discussed in Parliament last year \$50,000 was sufficient for the purpose of starting this representation at Washington, and the money was not used, it ought to be equally sufficient now, particularly in view of the fact that apart from the statement by the Acting Prime Minister we have had practically no information as to what is intended. The principle at stake in this matter is whether or not Parliament is to have a say in regard to our inter-Imperial and international relations. Apparently the Government's policy in these matters is one of secret diplomacy. We were told by the Prime Minister, as the honourable Member for Brome (Mr. McMaster) and the honourable Member for Shelburne and Queen's (Mr. Fielding) have pointed out, that the Prime Minister had read over the correspondence, that some other person had read over the correspondence, and that as a result of that reading Parliament was not to be informed one way or the other of what the correspondence contained. That is not, I am sure, a method of carrying on the business of the country which will meet with the approval of the people. Matters of ordinary business as between partners are not carried on simply by understandings; statements and records are kept in which is clearly set forth the exact position of the parties. If rumour be correct, my right honourable friend (Sir Robert Borden) may not hold the position of Prime Minister very long; he may be succeeded by one of his colleagues or by some other person who will not have precisely the same views on these matters as he has, or I will suggest another possibility. The Government of which my right honourable friend is the head may not be in office very long; it may be succeeded by a ministry that has views of its own on these questions. Should there not be somewhere in the records of this country, documents which will put beyond question exactly what has been agreed to between the different countries, between Great Britain and Canada or between the United States and Canada, on matters affecting inter-Imperial and international relations? Assume that some future British Ministry should dispute the word of a Minister in this House or of this Parliament, and the Canadian Ministry—not the same Ministry which is now in office—were unable to support our present position other than by the statements made in the House. What position would we be in? In these matters, particularly where they are in the nature of departures, or advances, if you wish to call them so, along lines of constitutional or other development, there is the strongest of reasons why we should have in the records of our country documents which will become in time part of the archives of Canada, and which may be referred to as *bona fide* records of what has taken place. This evening we were informed by my right honourable friend in regard to another very important matter, the taking over by Canada of five ships from the Government of Great Britain, that all of that correspondence was secret; that no member of this Parliament could see it; yet we are expected to vote a couple of million dollars to maintain the ships once they are taken over. That is the method of secret diplomacy. It is in accord with the proceedings of the bureaucratic administration; it is not the method of a ministry responsible to Parliament, and unless the ministry is prepared to be responsible to Parliament, I fail to see why Parliament should support

the ministry. For this reason I move that the present item be reduced by \$30,000. I think the time has come when there should be an end to monopoly of control of the affairs of Canada by a Cabinet carrying on the country's business in secret councils. The business of the country should be carried on in the open on the floor of this Parliament, in such a manner that the Government will be obliged to take into their confidence not only the members of Parliament but the people of the country whose money they are voting to expend.

Sir Robert Borden: I am very glad my honourable friend has made this motion because, in doing so, he acknowledges the principle and objects only to the amount. He leaves the matter therefore, just where it was last year, even if his motion should pass, that is to say, with a vote of \$50,000 for a particular purpose which has the endorsement of this House in voting the Estimates. The honourable gentleman has not given a great deal of consideration to the statement which was made in this House. It was announced at the time, I believe, that the statement was to be made concurrently in Great Britain and Canada that it had been agreed upon by, and represented the views of, the two Governments. Under those circumstances I do not know why my honourable friend should put forward the contention which he has, that it might transpire at some future time that the British Government held a different view. The statement which was made was a statement submitted to the British Government, modified to some extent by them, I believe, and put out with the full concurrence of the British Government and of this Government, both in Great Britain and in this country. Moreover, as regards records, my honourable friend, I hope, does not intend to suggest that I purpose running away with the records, if at any time in the future I should cease to be Prime Minister. He says, "There ought to be records in the country." Well, whatever records there are, will be for any future Government. I do not propose taking them away. They will be there for the inspection of any Government in the future, and that Government will be fully at liberty to bring them down if they obtain the proper consent, or to take such other course as may to them seem fit.

Mr. Fielding: I put to the Government a question which I thought was a fair and reasonable one. I asked them to state what circumstances had arisen to show that the interests of Canada were suffering at Washington for lack of a representative such as is now proposed. My right honourable friend spoke at great length but he did not answer that question. I am not surprised that he did not, because I am satisfied no such condition has arisen. My right honourable friend says: "We have a representative at London and a representative at Paris." True, but they are both 3,000 miles away from Ottawa, and if they were only a few hours' journey away from Ottawa, we probably would have no representative at either London or Paris. It is no argument to say that because we have a representative at Paris so far away, therefore, we must have one at Washington which is virtually next door to us. I notice that the President of the Council (Mr. Rowell) is making a change in the wording of this item. He says that the Auditor-General suggested it. I shall not ask my honourable friend to confess, but I shall not be surprised if he got the suggestion from some other quarter, that it might not be the wisest policy to fix the representative at Washington.

Mr. Rowell: I am very glad to answer my honourable friend. I got no suggestion from any quarter that it was desirable to make a change. When I moved the change, I explained that this item covered the New York office as well as Washington, and the Auditor-General thought that if we put in the item "at Washington" that would be open to some question. The New York office is under Washington and, therefore, it is desirable to say, "in the United States" instead of specifically mentioning Washington.

Mr. Fielding: The honourable gentleman and the Prime Minister both referred to the extensive trade relations we have with the United States. It is quite true that we have extensive trade relations with that country, and it has been part of my mission in life to make those trade relations more extensive. I am not sure that the right honourable gentleman who is now Prime Minister has laboured in that direction. But when my honourable friends speak of the commercial reasons as having any great bearing on this question, I fail to see the force of the argument. I have not seen so much of Washington as has my honourable friend; but to my knowledge and belief Washington is not a great commercial centre, and if we want commercial agents in New York, Boston, Chicago, in any part of the United States where great business interests are centralized, I should very heartily

support my honourable friend in saying that we should have additional representatives in those quarters. He said, "Why, have we not the International High Joint Commission"? Yes, having that, and as it is running smoothly, what more do we want in the same direction? "Oh, but," the right honourable gentleman said—and I took down his words—"we are proposing to adopt that same proposition that there are certain things in our international relations which can be better done by other people than by ourselves." That was my right honourable friend's statement.

Sir Robert Borden: I did not say that.

Mr. Fielding: Yes, my right honourable friend did say that.

Sir Robert Borden: I did not.

Mr. Fielding: Well, Hansard will tell.

Sir Robert Borden: My honourable friend misunderstood me. I have a right under the rules of the House to state in what sense my words are to be understood, and I did not intend them to be understood in any such sense.

Mr. Fielding: My right honourable friend has a right to speak of his intentions, but Hansard has a right to speak of his words. We have not been having the affairs of Canada attended to by other people than ourselves in international affairs for many years. We did not have them attended to by other people when Sir John A. Macdonald went as Commissioner to Washington to deal with the fisheries question. We did not have them attended to by other people when Sir Charles Tupper went again and again to Washington. We did not have them attended to by other people when we appointed representatives on the High Joint Commission of which my right honourable friend speaks. We did not have them attended to by other people when two members of the Canadian Government went down to Washington and endeavoured to conduct negotiations there to extend trade with that country at a time when my right honourable friend and his friends did everything they could to strangle that trade.

I do not purpose having any lectures from my right honourable friend as to the extension of trade relations between Canada and the United States. We have no evidence before us that a single thing has arisen to call for this movement. Again I challenge the right honourable gentleman to show that any difficulty has arisen at Washington in our relations with the American Government. This is an entirely unnecessary and wasteful thing. It may be a serious matter. Or it may be that the most that can happen from it is that the Government will send some gentleman to Washington who will discover that there is nothing for him to do but to occupy a desk in a corner of the office of the British Ambassador, and when there is any business to be done, the Government will send a man down from Ottawa. My right honourable friend speaks of the coal question and the pulp question which have been before us in the last day or two. I take his illustration of the coal question which is a very serious question to-day. Does my right honourable friend suppose, if we had any chief clerk, or whatever you may choose to call him, sitting at a desk in Washington, the Government would entrust the matter to him, living in Washington and getting the Washington atmosphere for years past? No, the right honourable gentleman would go himself to Washington, or would send one of his colleagues—as he is doing now—full of the knowledge of the Canadian policy, full of the knowledge of the Canadian Government, fresh from a consideration of the whole matter. Such a representative would have force and weight at Washington. That is the way the thing has been done in the past, and that is the way in which I want it to be done in the future.

Sir Robert Borden: My honourable friend is under a serious misapprehension when he refers to me as having alluded to commercial relations. I said nothing at all about them. I take the illustration which he has given just now. I can tell him that within the past three and four weeks this country has had very considerable advantage from the fact that there is still at Washington one member of the Canadian War Mission for the purpose of closing up the affairs of that mission at Washington—Mr. Mahoney, with whom we have been in constant touch and communication, and who has rendered us the very greatest possible service, but less service than he could have rendered to this country in that regard if he had been vested with the powers which it is proposed to confer upon a Canadian representative at Washington in the true sense. My honourable friend speaks as if it were the easiest possible thing in the world for ministers during the session of Parliament to leave their place to go to Washington to deal with matters of that kind. His experience as minister for fifteen years in this country should have taught him the precise reverse.

I take another illustration he gave. He says our affairs with the United States have been carried on and negotiated by Sir John Macdonald, by Sir Charles Tupper, by himself and Mr. Paterson. If these go in particular cases of importance what is the difference in principle if you have at Washington a duly authorized Canadian representative to deal with all matters of importance that come up from time to time? What is the supposed detriment to public interest? It is all right, says my honourable friend, to do this in particular cases of importance. Is there any reason why it should not be done in all matters of importance, but perhaps of less importance? That is all that is proposed, and I venture to think, notwithstanding the views of my honourable friend, that this proposal will be of real advantage to the people of this country, and that that fact will be recognized more and more after this representation has been established.

Mr. Mackenzie King: One expression used by my right honourable friend at this moment will, I think, help to make clear what it is that we so strongly object to in the new proposal. If I understood by honourable friend aright, he intimated that the Canadian representative at Washington would have to take charge of the smaller affairs of Canada as well as the larger affairs. That was about the difference between the representation that is now proposed and the representation we have had in the past. In other words, the Canadian representative under this proposal will have to look after all affairs in a general way. My honourable friend said nothing whatever about the proposal that the representative of Canada at Washington shall act for the British Ambassador for the time being whenever the British Ambassador is absent from Washington. He said nothing about that in his last allusion, although he referred to it in his earlier remarks.

Sir Robert Borden: I did not think it worth while to repeat what I said before.

Mr. Mackenzie King: Quite so, but I feel it worth while to repeat that, so far as this Parliament is concerned, I believe the majority of its members are strongly opposed to any representative of Canada acting as British Ambassador at Washington. I think my right honourable friend has reason to believe that on his own side of the House there are many members who are strongly opposed to any innovation of that kind, and certainly every member on this side of the House is unalterably opposed to it.

Some honourable members: Question.

Mr. Mackenzie King: I hear some honourable members saying "Question." If they cannot give the public business the attention to which it is entitled, they will just have to wait, that is all. This is one of the most important public matters we have had to consider in this Parliament for some time, and the people of this country are entitled before a new venture of this kind is launched to understand fully just how far they are being committed. I think my right honourable friend holds, to a considerable extent, the view that on these international affairs there ought to be agreement as far as possible between both sides of the House, and I think particularly on the question of a Canadian representative at Washington acting as Ambassador for the British Government in the British Ambassador's absence, there ought to have been on the part of the Government some effort to find out whether Parliament was likely to be united on such a project. Parliament is not united. We on this side of the House are unalterably opposed to the proposal. We believe it will lead to difficulties between the Mother Country and this Dominion, and lead to trouble between the United States and Canada. I hope my right honourable friend will construe our desire to cut down this appropriation by \$30,000 as a protest primarily against having the Canadian Minister Plenipotentiary act at any time as British Ambassador in the absence of the British Minister.

Amendment (Mr. Fielding) negatived; yeas 32, nays 57.

22519

No. 98.

THE DEPUTY GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 9th May, 1921.)

(No. 255.)

SIR,

Ottawa, 22nd April, 1921.

WITH reference to previous correspondence, and more particularly to the Governor-General's despatch No. 331, of the 15th May, 1920,* I have the honour to transmit, herewith, copies of the unrevised Hansard of April 21st, containing the debate† in the House of Commons on the question of the appointment of a Canadian Minister to Washington.

I also enclose some cuttings‡ from Canadian newspapers commenting on the debate.

I have, &c.,

L. H. DAVIES,

Deputy Governor-General.

Summary of 1st and 2nd enclosures in No. 98.

Mr. Meighen began (p. 2462)§ by explaining that there was some urgency, that it was important that the office be filled, that the reason for the delay in filling the office was merely that the Government had not decided on the best person to fill it, and that the Government had still not made up its mind as to who is to receive the appointment. Sir R. Borden (p. 2474) and Mr. Rowell (p. 2478) also represented the urgent need for the appointment. Later on in the debate (p. 2513) Mr. Meighen stated: "It is not only the intention but the sincere hope" of the Government to make the appointment in the current fiscal year. Sir R. Borden (p. 2471) laid stress on the independent status of the Minister *vis-à-vis* the Ambassador. Mr. Rowell gave (p. 2483) a sketch of the general duties which the Minister would perform, and mentioned specifically (p. 2482) as matters on which he would approach the United States Government: (a) Canada's voting rights in the League of Nations and (b) the United States Tariff. He also referred (p. 2484) to the pulp and paper question as one on which any possible difficulty might have been avoided if there had been a Canadian Minister at Washington. Mr. Meighen in dealing (pp. 2485-6) with the objection to the proposed arrangement under which the Minister will take charge of the Embassy in the absence of the Ambassador, said (p. 2485) that he did not regard the proposal as of first importance. Mr. Mackenzie King described the proposal (p. 2495) as a "great mistake." Sir R. Borden stated (p. 2474) that it was upon the status of Canada under the Resolution of the 1917 Imperial War Conference, "but which she has acquired chiefly from the part she has taken in the War and at the Peace Conference." . . . "that we rest our right of distinctive representation at the Capital of the great neighbouring nation, etc," but later (p. 2505) he urged that in principle the appointment did not differ from the arrangements under the Joint Waterways Commission, and Mr. Meighen said (p. 2515): "I do not say we are doing it because of our national status . . . We are doing it because we need it, because it is going to be of service to us." On pages 2514-6 he stated that it could not be argued from the fact that this step was being taken in relation to the United States; "we must go on and incur the expense of having diplomatic representatives in the various capitals of Europe or other countries in the world" . . . "There is nothing that leads us into any further step at all, because we take this step in relation to the United States." . . . "If the need arises to do likewise with any other country, if the need arises equally great and equally pressing, why, then, of course, we will have the same right to do it in the same way." Mr. Cockshutt (p. 2488) raised the question whether the United States would not on their side appoint an Ambassador to Canada? It will be remembered that this possibility was hinted at by the State Department at an early stage of the question, but was not subsequently mentioned.

* No. 91. † A summary only is printed here. ‡ Not reprinted. § These references are to the pages in Vol. LVI, No. 45, of the Unrevised Edition of the House of Commons (Canada) debates.

It will be seen that the Parliamentary correspondent of the *Ottawa Journal* wrote in the article printed in the second press cutting: "As for the Prime Minister, it cannot be said that he displayed much enthusiasm for the proposal" and called special attention to Mr. Meighen's remark on p. 2514: "I feel myself in point of sentiment with those who oppose the vote, but in point of reason in sympathy with those who support it."

C0886/8/4

CONFIDENTIAL.

IMPERIAL WAR CONFERENCE, 1918.

MINUTES OF PROCEEDINGS

AND

PAPERS LAID BEFORE THE CONFERENCE

(Other than those published in [Cd. 9177].)

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PRELIMINARY NOTE.

Meetings of the Imperial War Conference, 1918, took place on various dates between 12th June and 26th July 1918, being held, as a rule, on alternate days to those of the meetings of the Imperial War Cabinet.

The majority of the Resolutions passed, together with extracts from the Proceedings and certain of the Papers laid before the Conference, have been published in [Cd. 9177].

The present volume contains the remainder of the Resolutions, Proceedings, and Papers.

For convenience of reference, a complete Summary of the Proceedings and a complete List of the Papers laid before the Conference are included in this volume. The Resolutions are also set out in full.

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Central Emigration Authority - - - - -	33-45	2
<i>(See also 15th July.)</i>		
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III. RESOLUTIONS AGREED TO BY THE CONFERENCE.

The following Resolutions were unanimously agreed to by the Conference, subject to the exception noted in the case of Resolution XIX. :—

I.

Imperial War Graves Commission.

(*Second Day ; Monday, 17th June ; see p. 32 of [Cd. 9177].*)

The Conference desires to place on record its appreciation of the labours of the Imperial War Graves Commission and is in favour of the cost of the carrying out the decisions of the Commission being borne by the respective Governments in proportion to the numbers of the graves of their dead.

II.

Non-Ferrous Metal Industry.

(*Fifth Day ; Wednesday, 26th June ; see p. 63 of [Cd. 9177].*)

In pursuance of the policy of freeing the Empire from dependence on German-controlled organisations in respect of non-ferrous metals and ores, the Conference endorses the principle of the Non-Ferrous Metal Industry Act of the United Kingdom and recommends the Governments of the Empire to adopt effective measures, in so far as these may be necessary and have not already been taken, to carry out this policy.

III.

Control of Raw Materials.

(*Fifth Day ; Wednesday, 26th June ; see p. 45.*)

(1) The Conference agrees that it is necessary to secure for the British Empire and the belligerent Allies the command of certain essential raw materials in order to enable them to repair the effects of the War as soon as possible and to safeguard their industrial requirements.

(2) The Conference is of opinion that the Governments of the British Empire should make such arrangements amongst themselves as will ensure that essential raw materials produced within the Empire shall be available for the above purposes, and should arrange with the Allied Countries to utilise for the same purposes essential raw materials produced in those countries.

(3) Amongst the raw materials which should be considered for the purpose of this policy, the Conference recommends the following :—

Asbestos	Lead and its ores.
Cotton.	Manganese ores.
Jute.	Nickel, refined and matte.
Wool.	Spelter and zinc concentrates.
Hides and skins.	Tin and its ores.
Leather.	Tungsten ores.
Rubber.	Mica.
Oleaginous products.	Molybdenum.
Petroleum.	Steam coal.
Copper.	

IV.

Control of Raw Materials.

(*Sixth Day ; Friday, 28th June ; see p. 53.*)

That this Conference has considered the provisions of the Imports and Exports (Temporary Control) Bill now before the Imperial Parliament, and is of opinion that, whilst the circumstances of the different parts of the Empire differ widely as regards the extent to which it may prove desirable to pass similar legislation, the respective Governments should nevertheless take such action as may be deemed expedient to enable the objects of Resolution III. to be fully carried out.

To assist the Governments in determining their action in this respect, the Conference recommends :—

(1) that a Committee of its members should first consider the possible methods in each part of the Empire of obtaining command of each of the essential Raw Materials specified in Resolution III. (3).

(2) that the Governments represented at the Conference should, in the light of the information collected by their representatives on this Committee, consult with the representatives of the producers and trades concerned as to the method of obtaining command best suited to each individual commodity.

V.

Imperial Meat Supplies.

(*Seventh Day ; Monday, 8th July ; see pp. 89-90.*)

The Conference welcomes co-operation among the Governments of the Empire to ensure that the Empire shall become as far as possible self-sufficing in the matter of meat supplies, and recommends the examination by the Governments concerned of the recommendations of the Committee upon Imperial Meat Resources, and the adoption of such legislative and administrative measures as are required for such development within the Empire as will secure this object.

VI.

Enemy Debts.

(*Seventh Day ; Monday, 8th July ; see p. 93.*)

The Conference having had under consideration the Report of the Enemy Debts Committee, dated 23rd January 1918, and a secret memorandum dealing with returns made in regard to debts and property, expresses general approval of the principles recommended by the Enemy Debts Committee in their Report, dated 23rd January 1918, for the settlement of pre-war debts by Government intervention by means of a clearing scheme, and agrees that in the event of these principles being accepted by the Governments of the Allied Powers, the Governments of the Dominions should appoint delegates to confer in this country with representatives to be appointed by His Majesty's Government as to :—

(a) Legislation necessary to give effect to the recommendations of the Committee in the event of the same being adopted in whole or in part by arrangements with the enemy Governments made in the Treaty of Peace.

(b) Questions on which recommendations have been made by the Enemy Debts Committee which will require legislative action in any event.

VII.

Imperial Bureau of Mycology.

(*Seventh Day ; Monday, 8th July ; see p. 70 of [Cd. 9177].*)

It is agreed that it is desirable to establish an Imperial Bureau of Mycology for the purpose of supplementing the work of the Imperial Bureau of Entomology, and to obtain the necessary funds for its maintenance by suitable contributions from the Imperial Government, the Governments of the Dominions and India, and of the other Oversea Possessions, as suggested in the Memorandum laid before the Conference.

VIII.

Imperial Statistics.

(*Eighth Day ; Wednesday, 10th July ; see p. 87 of [Cd. 9177].*)

The Imperial War Conference having considered the correspondence as to the improvement of Imperial Statistics arising out of the recommendations of the Dominions Royal Commission, is in favour of the proposal to hold a Conference of Statisticians after the war, and that such Conference consider the establishment of an Imperial Statistical Bureau under the supervision of an Inter-Imperial Committee.

IX.

Imperial News Service.

(*Eighth Day ; Wednesday, 10th July ; see p. 93 of [Cd. 9177].*)

The Imperial War Conference is impressed with the importance of securing, (a) that an adequate news service should be available in all parts of the British Empire, and (b) that this service should be supplied through British sources. The Conference requests His Majesty's Government to formulate a scheme, with these objects in view, on the lines indicated in the Memorandum prepared by the Minister of Information, and to submit this scheme for the consideration of the Governments represented at the Conference.

X.

Dye Manufacturing Industry.

(*Ninth Day ; Thursday, 11th July ; see p. 103 of [Cd. 9177].*)

The Conference takes note of the action taken and contemplated by His Majesty's Government with a view to freeing the industry of the United Kingdom from dependence on German dyestuffs, and recommends the Governments of the Empire to consider immediately what steps can be taken to co-operate with the efforts of the Imperial Government to promote the successful development of the dye industry in the British Empire, and so to avoid enemy domination over our essential industries.

XI.

Shipping.

(*Ninth Day ; Thursday, 11th July ; see p. 112 of [Cd. 9177].*)

The Conference accepts in principle the establishment of an Imperial Investigation Board and refers it to a Committee of the Conference to frame a detailed scheme for such a Board.

The Conference agrees that it be also referred to the Committee to consider the best machinery for promoting the development of Imperial communications to the best advantage, with special reference to the probable size of vessels and the consequent demands upon harbour accommodation for the purposes of Imperial requirements, and to the Resolution handed in by the Prime Minister of New Zealand.

XII.

Inter-Imperial Parcels Delivery.

(*Ninth Day ; Thursday, 11th July ; see p. 112 of [Cd. 9177].*)

The Conference considers it desirable, for the purpose of encouraging Imperial trade, that the present facilities for inter-Imperial parcels delivery should be enlarged, improved, and co-ordinated, and recommends that the proposals contained in the Board of Trade memorandum should be examined by the Governments represented at the Conference with a view to the preparation of a detailed scheme designed to promote this object.

XIII.

Central Emigration Authority.

(*Tenth Day ; Monday, 15th July ; see pp. 123-124 of [Cd. 9177].*)

The Imperial War Conference reaffirms the principle laid down by Resolution XXI. of the 1917 Conference, in favour of arrangements being made by which intending emigrants from the United Kingdom may be induced to settle in countries under the British Flag. It is of opinion that the representatives of the Oversea Dominions in the United Kingdom should keep in the closest touch with any new Body established by His Majesty's Government to supervise emigration from the United Kingdom. The Conference is of opinion that the appointment of a Consultative Committee, not to exceed ten members, on which representatives of the Oversea Dominions should sit, to advise any such Body, would afford the best means of co-operation.

XIV.

Cable Communications.

(*Tenth Day ; Monday, 15th July ; see p. 132 of [Cd. 9177].*)

That it is in the highest interests of the Empire that the rates for telegraphic communications between the United Kingdom, Canada, Australia, South Africa, and India should be further materially reduced as soon as practicable. That in order to ensure generally the cheapest and most secure telegraphic communication between the United Kingdom, Canada, Australia, and New Zealand it is desirable that they should co-operate in the provision of a State-owned cable across the Atlantic.

XV.

Channels of Communication.

(*Twelfth Day ; Thursday, 18th July ; see p. 165 of [Cd. 9177].*)

(1) That this Conference is of the opinion that the development which has taken place in the relations between the United Kingdom and the Dominions necessitates such a change in administrative arrangements and in the Channels of Communication between their Governments as will bring them more directly in touch with each other.

(2) That the Imperial War Cabinet be invited to give immediate consideration to the creation of suitable machinery for this purpose.

XVI.

Imperial Mineral Resources Bureau.

(*Thirteenth Day ; Friday, 19th July ; see p. 168 of [Cd. 9177].*)

The Imperial War Conference, having considered the memorandum by the Minister of Reconstruction on the Imperial Mineral Resources Bureau, as amended, agrees that the number of representatives of the mineral, mining, and metal industries on the Governing Body of the Bureau should be increased from four (as originally agreed) to six. The Conference further approves the proposal for a Charter of Incorporation as set out in paragraph 6 of the memorandum and the proposals in paragraphs 7 and 8 as to the allocation of expenditure.

XVII.

Demobilization.

(*Fourteenth Day ; Monday, 22nd July ; see pp. 147-148.*)

The Conference agrees that an advisory and executive committee—to be known as the "Military Demobilization Committee of the British Empire"—should be set up forthwith :—

- (a) To consist of representatives of the Military authorities of the Dominions and Colonies, and of representatives of the War Office, India Office, and Ministry of Shipping, under the Chairmanship of the Secretary of State for War, or some one deputed by him; the secretariat of the Committee to be provided by the Mobilization Directorate of the War Office.
- (b) To consider all military questions of demobilization affecting the various Governments concerned by :—
 - (i) making decisions in regard to matters of detail;
 - (ii) submitting questions of principle which may arise from time to time to the Government or Governments concerned;
 - (iii) arranging for the fullest interchange of information with regard to plans for demobilization.
- (c) To sit, prior to general demobilization, at such time as may be considered necessary by the Chairman, during demobilization, as frequently as may be necessary to secure the complete mutual co-ordination of the demobilization procedure of the various Governments concerned.

XVIII.

Petroleum.

(*Fourteenth Day ; Monday, 22nd July ; see p. 163.*)

The Conference takes note of the Memorandum on the question of Petroleum, and, having regard to the great and growing importance of petroleum and its products for Naval, Military, and industrial purposes, desires to commend the suggestions contained in the Memorandum to the serious consideration of the Governments concerned.

XIX.

Naturalization.

(*Fourteenth Day ; Monday, 22nd July ; see p. 183 of [Cd. 9177].*)

This Conference is of opinion that legislation should be passed throughout the Empire restricting, for a period after the War, so far as in the circumstances of each country may be possible, the naturalization of citizens of present enemy countries, and also the acquisition by them of any form of political rights or of land or mining privileges.

[*The Government of the Dominion of Canada abstained from voting ; the Government of the Union of South Africa recorded dissent.*]

XX.

Nationality and Naturalization.

(*Fourteenth Day ; Monday, 22nd July ; see p. 192 of [Cd. 9177].*)

The Conference refers to the Resolution X. passed by the Imperial War Conference, 1917, recognising the desirability and importance of securing uniformity of policy and action throughout the Empire with regard to naturalization, and recommends that a special Conference, representative of all parts of the Empire, should be held at the earliest practicable date to examine and report in the light of that Resolution upon any question connected with nationality or naturalization which any Government represented at the special Conference may desire to raise, and upon any suggestions which may be made for the amendment of the existing law.

XXI.

Reciprocity of Treatment between India and the Dominions.

(*Fifteenth Day ; Wednesday, 24th July ; see p. 195 of [Cd. 9177].*)

The Imperial War Conference is of opinion that effect should now be given to the principle of reciprocity approved by Resolution XXII. of the Imperial War Conference, 1917. In pursuance of that Resolution it is agreed that :—

1. It is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities.

2. British citizens domiciled in any British country, including India, should be admitted into any other British country for visits, for the purpose of pleasure or commerce, including temporary residence for the purpose of education. The conditions of such visits should be regulated on the principle of reciprocity, as follows :—

(a) The right of the Government of India is recognised to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country to the same conditions in visiting India as those imposed on Indians desiring to visit such country.

(b) Such right of visit or temporary residence shall, in each individual case, be embodied in a passport or written permit issued by the country of domicile and subject to *visé* there by an officer appointed by, and acting on behalf of, the country to be visited, if such country so desires.

(c) Such right shall not extend to a visit or temporary residence for labour purposes or to permanent settlement.

3. Indians already permanently domiciled in the other British countries should be allowed to bring in their wives and minor children on condition (a) that not more than one wife and her children shall be admitted for each such Indian and (b) that each individual so admitted shall be certified by the Government of India as being the lawful wife or child of such Indian.

4. The Conference recommends the other questions covered by the memoranda presented this year and last year to the Conference by the representatives of India in so far as not dealt with in the foregoing paragraphs of this Resolution to the various Governments concerned with a view to early consideration.

XXII.

Imperial Court of Appeal.

(*Sixteenth Day ; Friday, 26th July ; see p. 210 of [Cd. 9177].*)

The Conference is of opinion—

(1) That the question of replacing the present dual system of appeal by the constitution of one Imperial Court of Appeal demands the prompt consideration of His Majesty's Government.

(2) That the Lord Chancellor should be invited to prepare and circulate to the Governments of the Dominions and of India as soon as possible, a memorandum of such proposals as in the opinion of His Majesty's Government are practicable for that purpose with a view to decision at the next Imperial Conference.

(3) That each such Government as soon as possible thereafter shall communicate to the Government of the United Kingdom its views with regard to such proposals.

XXIII.

Control of Raw Materials.

(*Sixteenth Day ; Friday, 26th July ; see p. 192.*)

(1) The Conference, having considered the Report of the Committee on Raw Materials, requests His Majesty's Government to communicate this Report forthwith to the Governments of the Dominions and India and to ascertain their views on the appropriate action to be taken.

(2) The Conference further agrees that steps should be taken to ascertain the needs and the resources of the Allies in respect of the raw materials specified in the Report.

(3) The Conference considers that the figures given in the Report as to the raw material requirements of the Empire might with advantage be used by the British Delegates at any forthcoming Inter-Allied Conference, subject to any corrections that may be made necessary by later and fuller information.

XXIV.

Shipping.

(*Sixteenth Day ; Friday, 26th July ; see p. 215 of [Cd. 9177].*)

(1) That in order to maintain satisfactorily the connections and, at the same time, encourage commercial and industrial relations, between the different countries of the British Empire, this Conference is of opinion that shipping on the principal routes, especially between the heart of the Empire and the Oversea Dominions, including India, should be brought under review by an Inter-Imperial Board on which the United Kingdom and the British Dominions and Dependencies should be represented.

(2) That for this purpose an Imperial Investigation Board, representing the various parts of the Empire, be appointed, with power to inquire into and report on all matters connected with ocean freights and facilities, and on all matters connected with the development and improvement of the sea communications between the different parts of the Empire, with special reference to the size and type of ships, and the capacities of harbours; the Board to include, in addition to representatives of the Governments concerned, persons with expert knowledge of the problems involved, including representatives of the shipping and trading interests.

XXV.

Concluding Resolution.

(Sixteenth Day; Friday, 26th July; see p. 222 of [Cd. 9177].)

The Members of the Conference representing India and the Oversea Dominions desire before they separate to convey to the Secretary of State for the Colonies their earnest and sincere appreciation of his labours in preparing for, and presiding over, the Conference.

They desire also to put on record their deep sense of gratitude for the many courtesies which they have received from the Prime Minister and the other members of His Majesty's Government, as well as for the generous hospitality which has been extended to them by the Government and people of the United Kingdom.

IV.—MINUTES OF PROCEEDINGS

(other than those published in [Cd. 9177].)

195

FIRST DAY.

Wednesday, 12th June 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.
The names of those present and the Proceedings are printed on pp. 10-22 of [Cd. 9177].

Opening Address, Replies, and Loyal Resolution.

(See pp. 11-20 of [Cd. 9177].)

Order of Business.

(See pp. 20-22 of [Cd. 9177].)

SECOND DAY.

Monday, 17th June 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.
The names of those present are printed on pp. 23, 24 of [Cd. 9177].

Welcome to Representatives of Australia and India.

(See p. 24 of [Cd. 9177].)

Reply to Loyal Resolution.

(See pp. 24, 25 of [Cd. 9177].)

Publicity Arrangements.

See pp. 25-28 of [Cd. 9177].)

Imperial War Graves Commission.

(See pp. 28-33 of [Cd. 9177].)

The part in [] was omitted from p. 31 of [Cd. 9177].

General WARE: Oh, very much so.

[Sir ROBERT BORDEN: I observe that the number of deaths amongst the Canadian Expeditionary Force is given as 32,878 up to the 14th April 1918. Our record shows that we have more than 40,000 dead. Apparently there is some discrepancy. I shall inquire into that, and ask the Minister of the Overseas Service to communicate with you respecting it.]

Mr. ROWELL: Is it contemplated, &c., &c.

The part in [] was omitted from p. 32 of [Cd. 9177].

CHAIRMAN: The really important question for the Conference to decide, if they have no further questions to ask General Ware, is whether they will accept the suggestion that the ultimate cost of this work shall be defrayed by the respective Governments in proportion to the numbers of the graves of their dead.

[Mr. HUGHES: I should like to ask General Ware one question. I see on page 2 of these tables the aggregate number of deaths set out. I should like to obtain some idea of the date to which that is made up.

General WARE: Up to the 14th April 1918.

Mr. HUGHES: I turn to page 5 of the same tables, where the Australian deaths are shown, and I see there there is a discrepancy of at least 7,000 between the totals there and what is known to us. If you apply that generally, you will see there is a very great discrepancy.

Sir ROBERT BORDEN: There is the same discrepancy with regard to our figures.

CHAIRMAN: Are your figures up to the same date—14th April—or up to to-day?

Mr. HUGHES: That is up to to-day—up to last week, say. Although I would not like to say that the difference could not be accounted for in that way, I am not inclined to think it can be. That would involve 35,000 casualties in the Australians since the 14th April, and I do not think we have had much more than half that.

CHAIRMAN: It is evident there is a discrepancy, and those figures will have to be corrected, for the discrepancy could not be accounted for by that number of casualties.

Mr. HUGHES: No doubt the figures are very difficult to ascertain.

General WARE: Those are the official figures, which we accept. We cannot go behind them.

Mr. HUGHES: No. Ours are official, too, and we cannot go behind those.

CHAIRMAN: I think that had better be inquired into.

General WARE: We actually are inquiring. Sir Robert Borden drew my attention to the matter the other day, and we are inquiring. There is some discrepancy, undoubtedly. I would suggest that in the figures you have, Mr. Hughes, a certain number of the missing have been written off as dead, whereas in the other case they are treated as "missing." I think that is what it comes to. As a matter of fact, two of my officers spent the week-end in trying to find out how this discrepancy arose, and that is the only suggestion they could give me this morning. When a man is missing, the War Office insists on as complete evidence as can be obtained that he is dead before writing him off as dead. In the meantime one may be practically certain that the man is dead, though there is not the actual evidence. Well, I think your record has gone a little ahead of the War Office in that way.

Mr. HUGHES: No, that is not so. I have got a return quite recently, in which the dead, the missing, and the prisoners and other casualties were shown separately; the men missing were in all cases separately so shown.

General WARE: Well, the matter is being inquired into to see if anything can be arrived at on that point.

Mr. HUGHES: Some of the missing, no doubt, are dead. However, it is not material to the question Mr. Long was just putting—at least, not very material.]

Sir ROBERT BORDEN: I have been asked to move this Resolution, &c., &c.

Central Emigration Authority.

(See pp. 33-45 of [Cd. 9177].)

The part in [] was omitted from p. 35 of [Cd. 9177].

CHAIRMAN: * * * That is the end of their recommendation. [In connection with the Reports which I have quoted, I should like very briefly to mention certain figures which were prepared confidentially by the statistical experts at the War Office for the Empire Settlement Committee as to the estimated decline in the male population of England and Wales in April of this year as compared with 1911, when the last Census was taken. They gave figures showing that, after allowing for deaths in war, the male population between 20 and 24 would have declined since April 1911 by some 70,000, that between 25 and 29 by no less than 112,000, and that between 30 and 34 by 75,000.

Mr. HUGHES: What is the aggregate?

CHAIRMAN: About 250,000. These figures were based on two assumptions, first, that if there had been no war, emigration from the United Kingdom between 1911 and 1918 would have proceeded at the same rate as in the preceding decade; secondly, that the deaths due to military casualties in 1917-18 would be equal to those in 1916-17. As to these assumptions, I need say nothing as regards the first. As to the second, I need hardly remind you of the heavy casualties sustained during the first part of this year's German offensive by the British Army. Even

CHAIRMAN—cont.

now, unfortunately, it is not improbable that still heavier casualties may be awaiting us in the future.] The position as regards the future man-power of the Empire is clearly one which cannot but cause grave anxiety. &c., &c., &c.

Order of Business.

(See p. 45 of [Cd. 9177].)

THIRD DAY.

Wednesday, 19th June 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

PRESENT:

The Right Honourable WALTER H. LONG, M.P., Secretary of State for the Colonies (Chairman of the Conference).

The Right Honourable Sir ALBERT STANLEY, M.P., President of the Board of Trade.

Mr. W. A. S. HEWINS, M.P., Parliamentary Under-Secretary of State for the Colonies.

Canada.

The Right Honourable Sir R. L. BORDEN, G.C.M.G., Prime Minister.

The Honourable A. MEIGHEN, K.C., Minister of the Interior.

The Honourable J. A. CALDER, Minister of Immigration and Colonization.

The Honourable N. W. ROWELL, K.C., President of the Privy Council.

Australia.

The Right Honourable W. M. HUGHES, Prime Minister.

The Right Honourable J. COOK, Minister of the Navy.

New Zealand.

The Right Honourable W. F. MASSEY, Prime Minister.

The Right Honourable Sir JOSEPH WARD, Bart., K.C.M.G., Minister of Finance.

South Africa.

Lieutenant-General the Right Honourable J. C. SMUTS.

The Honourable H. BURTON, K.C., Minister of Railways and Harbours.

Newfoundland.

The Right Honourable W. F. LLOYD, Prime Minister.

India.

The Right Honourable E. S. MONTAGU, M.P., Secretary of State for India.

Major-General His Highness The MAHARAJA OF PATIALA, G.C.I.E., G.B.E.

The Honourable Sir S. P. SINHA, K.C., Member of the Executive Council of the Governor of Bengal.

Mr. H. C. M. LAMBERT, C.B., Secretary to the Conference.

Mr. E. J. HARDING, C.M.G., Junior Assistant Secretary to the Conference.

THERE WERE ALSO PRESENT:

Sir G. V. FIDDES, G.C.M.G., C.B., Permanent Under-Secretary of State for the Colonies.

Sir A. D. STEEL-MAITLAND, Bart., M.P., Additional Under Secretary of State for Foreign Affairs and Additional Parliamentary Secretary, Board of Trade.

Sir H. LEWELLYN SMITH, K.C.B., Permanent Secretary, Board of Trade.

Mr. VICTOR A. A. WELLESLEY, Controller of Commercial and Consular Affairs, Foreign Office.

Mr. H. FOUNTAINS, C.B., C.M.G., Assistant Secretary, Commercial Relations and Treaties Department, Board of Trade.
 Mr. PERCY ASHLEY, Assistant Secretary, Industries and Manufactures Department, Board of Trade.
 Mr. L. CHRISTIE, Legal Adviser, Department of External Affairs, Canada.
 Sir R. GARRAN, C.M.G., Solicitor-General, Commonwealth of Australia.
 Lieutenant-Cominander J. G. LATHAM, Royal Australian Naval Board.
 Major-General Sir G. ASTON, K.C.B., of the War Cabinet Secretariat.
 Mr. H. W. CARLESS DAVIS, C.B.E., Deputy Chairman, War Trade Intelligence Department.
 And Private Secretaries.

Control of Raw Materials.

CHAIRMAN: The subjects for to-day are four Resolutions dealing with the control of raw materials after the war, which have already been circulated to members of the Conference, and I think it would be convenient if I make a very brief statement to the Conference just telling them what has happened since the last Conference in regard to these questions. We enter to-day on that part of our programme which deals with economic subjects: it is, in some ways, the most important part of our work, and I propose to say a few words of introduction to the subject before we deal with the Resolutions in detail.

You will remember that the last Conference passed a Resolution, No. XXI., respecting the question of Imperial trade policy after the war, and His Majesty's Government, as I informed the Dominion Governments in October last, appointed a Committee of Ministers, of which I was myself Chairman, to inquire into and report on the best method and machinery for giving effect to the Resolution. The question of the post-war control of raw materials has naturally been one to which the Committee has devoted most anxious consideration. As you will have gathered from the Reports on the subject* which have been circulated to you, the conclusion we reached was that owing to the great complexity of the circumstances, which vary indefinitely with every commodity, it is not possible to draft any general scheme for controlling raw materials after the war, but that each commodity must be dealt with separately and on its own merits. When the war comes to an end, we may feel certain that in whatever position it may find the different belligerents, we shall—ourselves, our friends, and our enemies alike—be in urgent need of a number of things of which supplies have been inadequate during the war, and, in fact, the world's supplies of some of these articles will be very short. Of some of them the Empire cannot possibly hope to produce an adequate supply, while of others we shall not only have plenty for ourselves, if we control the supply, but we shall have enough to enable us to secure from our Allies and our enemies some of these things of which we stand in need. Our Committee has regarded the whole question primarily from the point of view of the urgent necessity for securing to the Empire a sufficiency of essential raw materials to enable it to repair the ravages of war, and they have sought to devise some effective machinery by which the Empire, which, taken together and acting as a whole, is one of the strongest and richest economic Powers in the world, may secure, first to itself and next to its Allies, those materials which it must have if the industrial life of this country and other parts of the Empire is to recover its prosperity.

In order effectively to carry out the policy which we put forward, it is essential that His Majesty's Government should know that the Empire is united in this matter, and the draft Resolutions which have been laid before you aim at this result. If the Conference accepts the policy, I feel sure the Empire will possess a very powerful weapon for defence, and possibly also for offence when peace negotiations come. How effective it may be in this latter sense only experience can show, but this, I think, may be safely said: that the measure of the needs of others will be the measure of its effectiveness for us. And those needs in the case of the Central Empires we know in certain cases to be very great.

The Resolutions, you will see, do not lay down more than a general line of policy. It is, as I have already indicated, impossible to deal with individual commodities

* See pp. 209-221.

CHAIRMAN—cont.

except by separate treatment, and for this the Resolutions provide. Inquiries as to the special measures required in individual cases have already been started by a Sub-Committee, of which Mr. Hewins was chairman. He has given a great deal of time and thought to these subjects, and I propose to ask him to take part in the detailed discussion of the Resolutions later on.

Before I close, I would observe that the Resolutions do not cover the whole ground. The President of the Board of Trade, Sir Albert Stanley, is here to-day, and will, as I say, take part in the discussion. He will deal, primarily, with the need for legislation throughout the Empire to control imports and exports after the war, and also the Non-ferrous Metal Industry Act. There are also certain special subjects which it is convenient to treat separately, viz., meat and wool; and we are anxious also to deal with the question of enemy debts. But all these subjects will, I think, more conveniently follow the consideration of the present Resolutions, which I lay before you as embodying a policy which, if the Empire will act together as a whole, should, in the opinion of His Majesty's Government, not only give the world a working example of the policy of preference which we all accepted last year, but should yield practical results of the utmost value.

That is merely a brief statement of what has happened, what has led up to the present position of affairs. I therefore formally move the four Resolutions which are as follows:—

I. The Conference agrees that it is necessary to secure a sufficiency of essential raw materials in order to enable the British Empire to repair the effects of the war as soon as possible, and to safeguard its industrial requirements, and that for this purpose it is desirable to control certain raw materials produced within the Empire.

II. The Conference agrees that the materials enumerated in the following lists are deserving of consideration as suitable for such control:—

List (1).—Raw Materials of Empire origin required by the United Kingdom and the Allies.

Asbestos.	Copper.
Cotton.	Lead and its ores.
Jute.	Manganese ores.
Wool.	Nickel, refined and matte.
Hides and skins.	Spelter and zinc concentrates.
Leather.	Tin and its ores.
Rubber.	Tungsten ores.
Oleaginous produce.	Mica.

List (2).—Raw Materials of Empire origin which might be the Subject of Special Arrangements with Foreign Powers.

Asbestos, fine.	Steam coal.
Cotton.	Rubber.
Jute.	Zinc concentrates.
Wool.	Mica.
Nickel.	Oleaginous seeds and nuts.
Tin.	

III. The Conference resolves that each of the Governments represented should appoint delegates empowered to make arrangements in respect of such articles produced within the Empire and enumerated in Resolution II. as have not already formed the subject of special arrangements.

IV. The Conference charges His Majesty's Government to negotiate with foreign Powers, on behalf of the different Governments of the Empire, such arrangements as will enable the Empire to obtain sufficient quantities of important raw materials of which adequate supplies are not produced within its limits.

Mr. MONTAGU : Will you take them all together ?

CHAIRMAN : Yes, unless the Conference decides to take them separately. I move them now *pro forma*, but, if preferred, they can be taken individually, one by one.

Sir ROBERT BORDEN : I think you will have to take them individually.

CHAIRMAN : Yes, if you wish.

Sir ROBERT BORDEN : Which one first ?

CHAIRMAN : No. 1. It is a draft Resolution. Is it your pleasure that we take a discussion upon that Resolution first, by itself ?

[Agreed.]

Sir ROBERT BORDEN : It would be well to have a statement on it first. Without some explanation, I should hardly be prepared to concur in the draft Resolution in its present form.

Mr. HEWINS : Mr. Long, perhaps I had better explain the origin and genesis of these Resolutions. As you have stated, your Committee was appointed by the Prime Minister, to take into consideration the methods of carrying out Resolution XXI. of the Imperial War Conference of last year. That Resolution affected raw materials. The general tenor of the Resolution was that steps should be taken to make the Empire self-sufficient with regard to food, raw materials, and essential industries, and that special facilities should be given by each part of the Empire to the other parts with the view of promoting that. The question naturally hinges on other matters of the greatest delicacy and importance. There is in particular the matter of the post-war control of raw materials which is of the greatest interest, not only to the British Empire, but to all our Allies, and, in fact, to the world. And when Mr. Long's Committee got to work they had to consider the manner and the order in which the question should be approached.

The control of raw materials, in any shape or form, is not merely an economic or a business question, it raises a great many other questions as well. And we are face to face with the fact that although the British Empire contains large deposits of raw materials which are required for purposes within the Empire and outside, at the same time those raw materials are under the control of different Governments; that it is not the United Kingdom which controls these raw materials, which some people were rather by way of thinking, but that they are in the Dominions, the great self-governing nations, which must come to an agreement amongst themselves with regard to what should be done with them. And, whatever might be done at subsequent stages, it was thought by the Committee that it was necessary, as a matter of order and business-like arrangement—to put it on no higher ground—that, first of all, the Empire must arrange within itself what it would do, what it would sanction with regard to the raw materials within the Empire. Then, on the nature of the policy to be adopted, it was not only undesirable, but it was impossible to lay down any one general method which might be put before, let us say, the Conference, because different parts of the Empire had different expedients at their hand for dealing with the various economic questions which arise. And, whilst sketching out the general condition of things, it was felt it was absolutely essential that consultation must take place as to the different methods that might be commended in regard to different raw materials. We were, therefore, forced to consider the question in detail.

If you take simply the list of materials in these Resolutions, it is obvious that they raise very different economic questions and very different issues, and Mr. Long's Committee thought therefore that it was desirable to see, by way of an investigation in detail, the conditions surrounding different raw materials which we have to handle. That was the origin of that branch of the work of the Sub-committee to which Mr. Long has alluded. And we proceeded to take the raw materials *serialim*. I have got here a full list of all the subjects that we have surveyed in that Sub-committee. And we kept before our minds not the idea that we could lay down the policy to be there and then accepted, so to speak, but the idea of adequate preparations for detailed discussion when the Conference should set out to explore

Mr. HEWINS—*cont.*

these matters thoroughly, and we tried to see what the considerations were which had to be kept in view. And accordingly, in addition to these reports which are before you, I have a vast collection of very detailed reports on each of the raw materials enumerated, constructed with the view of supplying a basis for detailed consideration, so that we could work out, *serialim*, in regard to each one what may be the best policy to be adopted.

We began, on the Committee, with the group of metals. We took nickel, tin, zinc, tungsten, aluminium, manganese, lead, and the other metals enumerated. On Mr. Long's Sub-committee we did not deal with cotton or wool because those subjects were already provided for under the auspices of Sir Albert Stanley at the Board of Trade and of other committees. Jute was under consideration by the India Office, but we considered a report upon jute. Rubber is being considered in various ways. General steps have been taken with regard to raw materials. Just a bare description of these steps is set forth in the Third Report of Mr. Long's Committee,* which is printed and lies before you. That is just a description of the ground which has been covered. It does not set forth Resolutions to be adopted; it is simply a description of what has been done for the information of the Conference. Having taken those steps, these reports were carefully analysed and considered, and the result of that survey was the First and Second Reports on Raw Materials which lie before you,† which were submitted to the Cabinet and approved in general.

Therefore, if the course of procedure which I have indicated were adopted, you would first of all go into detail in regard to the materials enumerated to see what line of policy may be adopted. Having gone into that detail, then this Conference, it might be hoped, would be able to come to some more general conclusions, so as to define the position of the Empire with regard to the matter generally, and the Empire would then be in a position to take part in those negotiations which must necessarily follow with our Allies, to see what we can do to assist them and assist ourselves in repairing the devastations of war and determine the development of policy after the war. We did not approach the subject as to whether it was desirable or not to pursue an aggressive policy—if I may use the word—with regard to Germany after the war. We took the line that we should look, first of all, to the interests of the British Empire as a whole, that then we should link up those interests, as far as possible, with those of our Allies, and that, probably, if you secured those objects, and secured the means by which you should organise and repair the devastations of the war, you would have sufficiently emphasised your line of policy to correct any aggressive policy on the part of Germany.

Mr. HUGHES : You follow the Resolutions of the Paris Economic Conference, practically.

Mr. HEWINS : Yes, practically that is how the thing was done. That is the origin of these Resolutions, which are based upon the Reports of Mr. Long's Committee, in so far as they concern the Empire. The steps which would have to be taken with regard to the Allies, supposing the Empire came to an agreement on the general line of policy, would naturally follow. But we felt that the first thing which was necessary was to consider the Empire, the family of great nations—that it is best, first of all, for them to settle their own policy and what they particularly wish to do, before defining what shall be done with any raw material in reference to any of our Allies or any other country. That, I think, is the way in which the thing has arisen.

Sir ROBERT BORDEN : Has the United States Government been consulted with regard to these proposals ?

Mr. HEWINS : These Resolutions ?

Sir ROBERT BORDEN : Not the exact Resolutions, but the general proposals.

Mr. HEWINS : Yes, they are generally acquainted with the lines of them.

* See pp. 212-221.

† See pp. 209-212.

Sir ROBERT BORDEN: There is reason to believe they are watching the proceedings of this Conference with a good deal of interest, and there is the possible danger of a lack of sympathy on their part with what we have in mind. Naturally, this Empire and the United States of America are economic rivals under ordinary conditions. It is said that they are impressed with the opinion that some of our activities at the present time are pointing in a direction which would not command their sympathy, to say the least, for that reason.

Mr. MASSEY: May I suggest that members speak a little louder? The acoustic properties of this room are not very good. (Hear, hear.)

Sir ROBERT BORDEN: Yes, I know that, Mr. Massey. That, I say, should be borne in mind. My attention has been called to some other portions of these Resolutions to which I will direct attention a little later. In the first place, so far as the control of all these raw materials is concerned, I think it must be carefully borne in mind by this Conference that in the Oversea Dominions, particularly those that are formed upon a Federal basis, the control of such raw materials is of a somewhat varied character. In the first place, there are raw materials which already have passed into private ownership, and as to which control could be exercised, in Canada at least, only by the Provincial Governments. It might be possible that the Federal Parliament could, as a war measure, pass legislation which would be effective. But we would have to take the rights of the Provinces into consideration.

Then, as to raw materials which have not yet passed into private ownership, we in Canada are confronted with this situation: that a portion of them is vested in the Provinces, a portion of them is vested in the Dominion. We have an anomalous situation in this respect, that some of the Provinces of Canada have full ownership and control of their natural resources, and some of the Provinces of Canada have not. It is possible that that situation may be altered in the not distant future. Of course, it is recognised, as Mr. Hewins said, that control can only be exercised by the governing powers of the Dominions, whether Federal or Provincial. We shall have to start with that. It seems to me there may be a good deal of practical difficulty in working the matter out when we come to ask the people of the Oversea Dominions to accept a control which might interfere very seriously with the value of their products. I have not considered that very carefully, but the Conference ought to consider it very carefully before we embark upon any plan, or before we authorise delegates to enter upon any definite plan. There are other members of the Conference who have devoted much more study to this question than I have, and I speak with deference to their opinions, and with great respect for what they may be able to say on the subject.

The concluding Resolution does not commend itself to my judgment in its present form. It says: "The Conference charges His Majesty's Government to negotiate with foreign Powers, on behalf of the different Governments of the Empire, such arrangements as will enable the Empire to obtain sufficient quantities of important raw materials of which adequate supplies are not produced within its limits."

Mr. HUGHES: Where is that?

Sir ROBERT BORDEN: No. IV. Now, one has to consider the practical operation of that. Take, for example, our relations with the United States. We interchange raw materials on a very large scale. The United States of America are practically wholly dependent upon us for their supplies of nickel. We are dependent on the United States for our supplies of cotton, supplies of iron ore, and supplies of coal. Half the coal used in Canada comes from the United States. Distribution is based upon considerations of transportation, upon geographical position. If we desire to make arrangements with the United States, as we have had to make arrangements with them during this war, with regard to our supplies of coal, why should Canada, particularly, charge His Majesty's Government with the duty of arranging that. I venture to say, with all respect, that we could probably arrange it ourselves much more effectively and more expeditiously than His Majesty's Government. And it seems to me that there is a somewhat reactionary idea conveyed in that paragraph, although, I have no doubt, nothing of the kind was

Sir ROBERT BORDEN—*cont.*

intended. But its effect might be that which I have indicated, and I should take exception to such a proposal for the reasons that I have stated.

Mr. HUGHES: Is this put forward in the form of a Resolution to be affirmed by the Conference?

CHAIRMAN: If they so please.

Mr. MASSEY: Only No. I., sir, I think.

CHAIRMAN: No. I. is before us. Sir Robert Borden referred to No. IV. in order, as I take it, to save time.

Sir ROBERT BORDEN: I thought they were all one Resolution.

CHAIRMAN: No. You suggested their being taken separately.

Mr. HUGHES: We are dealing with No. I.

Sir ROBERT BORDEN: I was under a misapprehension in regard to that, because there are a number of Resolutions dealing more or less with the same subject, and I thought you were referring to all of these.

CHAIRMAN: No; only with No. I.

Mr. HUGHES: I think, sir, that we can most usefully approach this matter by way of a discussion which will cover the whole policy, because—speaking for myself—Resolution No. I. is one to which I do not think any exception can be taken; it is very largely abstract in its nature. But there are other Resolutions, and the policy generally, in its application in detail, involves some difficulties. Sir Robert has pointed out some of them.

Sir ROBERT BORDEN: Mr. Hughes, when I suggested we should take No. I., I meant the whole of the four Resolutions on this subject, because there were a number of other Resolutions about imports and exports, and so on, and I thought Mr. Long asked whether we should take them all at once.

CHAIRMAN: No. I. only meant the first of the four dealing with the control of raw materials.

Mr. HUGHES: You are taking a general discussion on No. I., are you?

CHAIRMAN: Just as the Conference wishes. We will take them all together, if you like.

Mr. HUGHES: If we are not to do that, then I think No. I. should go *pro forma*, and let us get on with the discussion.

Sir ROBERT BORDEN: Mr. Hughes, I entirely agree that we should take these four as one, and have a discussion on them.

Mr. MASSEY: I think, Mr. Long, we might take a discussion on the four, but if there is going to be a vote—though probably there will not be anything in that way—the motions should be put *seriatim*, one at a time.

CHAIRMAN: Shall we take the general discussion on the four? And, if necessary, we can divide them afterwards, for adoption or rejection.

Sir ROBERT BORDEN: I agree. I thought that was what we were doing.

CHAIRMAN: No. We took your early suggestion, which was apparently made under a misapprehension.

Mr. HUGHES: Take the Third Report of the Committee on Raw Materials,* to which some reference has been made. This raises the question, in a concrete way, how you are going to deal with this matter. The first of the four Resolutions is, if I may say so, a mere pious expression of opinion as to what it is desirable to do. People pass resolutions such as No. I. every day and nothing comes of them; but I apprehend that we are here to do things if it is possible at all to do so. We must therefore consider how far we can give effect to this policy. I need hardly say that I have been an advocate of this policy, and generally I heartily approve of the proposal. But there are a number of difficulties, and some of those difficulties ought to be stated. When you speak of raw materials, of course there are raw

* See pp. 212-221.

Mr. HUGHES—*cont.*

materials and raw materials. I will give you two cases in point. Australia produces copper, lead, zinc, wool and other things. Now, speaking from a purely Australian point of view, it is a matter of perfect indifference to us—and I am speaking now as if Australia was a shopkeeper or a merchant with these things to sell—it is a matter of perfect indifference to us whether any particular person tells us that he will buy our lead or our zinc or our wool, because we can produce enough of these three commodities to influence the world's markets so materially that they must buy them, and as to these articles it is a question whether we sell rather than whether other people buy. But with copper and other things it is quite different. We produce, of course, very much more copper than we require ourselves, but our production of copper is, compared with the world-production, only a drop in the bucket, and our copper cannot influence the world's price, which is affected by the American production, the American output, and so on.

Now, when we are asked to make our raw material available for the Empire, I think it is only fair to ask that the Empire should take this raw material as a whole—not only those things that just suit her, leaving us with the things for which we have to scramble for a market, because that places us in an awkward position and an unfair one. We can do better with certain articles, say copper or wheat (assuming we are able to sell them), if we have at hand articles which these same nations who will buy these things, or whom we want to buy these things, *must* buy. They must buy our wool; they must have zinc; they must have lead. In a lesser degree they must have tungsten ore. If we withhold any of these the market is affected materially. Well, what is to become of all those raw materials of which we have neither a monopoly nor a controlling influence in the market? And our distance from that market being so considerable as to place us at a disadvantage, how does this scheme propose to help us? I am sure the Conference realises that we are a long way off England. That distance, sometimes, is a disadvantage to us, a great disadvantage. If we were 3,000 miles away, our circumstances would be very different. If we have to sell our things in this market, or get them to this market, there are 9,000 or 10,000 miles of ocean transport, of lee-way, to make up before we get level, say, with Canada or with the United States of America; much more, of course, before we get level with Europe. So I think when we talk about the raw materials we want an Imperial policy dealing with raw materials of Empire origin required by the United Kingdom and the Allies. We want to have a policy which will apply to our raw materials in general, and not merely to such of our raw materials as may happen to suit your requirements in particular. You may be able to get some raw material cheaper elsewhere. Very good. But it is most embarrassing and unsatisfactory to us if you pick the eyes out of our produce and leave us with that which is relatively unsaleable.

After all, gentlemen, this is an economic question as well as a national one. If you put the whole thing on a national basis, then the argument which I put forward, or am suggesting, has additional force, and it may be said that you ought not to have regard to price at all. If these things are necessary for Empire defence, the fact that they are 2,000 miles away or 22,000 miles away ought not to affect the case at all. Some things are necessary; you have put some of them down on the lists here. Probably if you added oil and rubber to those things which you have put here you would run the gamut of all those things which, if a nation had a monopoly of them, would make her independent, economically and nationally. I submit, therefore, that if we are to have a policy, it should be one that takes into consideration raw materials in general, and not such raw materials only as may happen to suit your particular purpose. Otherwise you spoil our market utterly elsewhere, because you prevent our selling relatively unsaleable articles. Now, we have some good lines, and I speak quite candidly when I say that if we were dealing with these on a purely commercial basis it would be a matter of perfect indifference to us whether you said you would buy them or you did not; we can sell them anywhere. But there are other lines—and I suppose that is true of every one of the Dominions—of which that cannot be said. And so, if we regard ourselves, as we ought to, as members of one family, or—to express it in terms more suited to our circumstances—as a League of Nations, bound together by self-interest, by blood, by ideal, by tradition, by fear of

Mr. HUGHES—*cont.*

common dangers, I say that either the commercial aspect ought to be blotted out altogether, so that you may deal with things with due regard to the circumstances of each part of the Empire, or else that there is no other alternative than to treat the matter on a purely commercial basis.

Incidentally, Mr. Long, you have omitted from this second column of the first list molybdenum. You want to put molybdenum there, which is used for the same purposes but which is not a tungsten ore.

I am not going to say anything more, excepting that if and when we are to consider the methods by which we are going to effect this—whether, for instance, it is “essential to the success of the policy,” as stated in the Third Report on Raw Materials, “that three general measures of control should be adopted . . . to prohibit the export and re-export” of the articles scheduled, “to reserve the “right of requisitioning them when they are stored for foreign account,” and, “so far as the non-ferrous metals are concerned, to adopt the policy which is “adopted in the Non-ferrous Metal Act of the United Kingdom,” all these matters require the most careful consideration. We are a great coal-exporting country, we have a limitless quantity of iron ore, and it is difficult to know to what extent this prohibition goes.

I want, in conclusion, only to say that I not only approve the principle of this proposal, but I believe it to be absolutely essential for the welfare, and even for the economic existence, of the Empire. At the same time, because of the circumstances of the various Dominions, and because, after all, they are nations now and no longer Colonies—they have a national consciousness, they are very jealous of any interference with their rights, and they are very keen that we should safeguard their interests—I hope that this Conference will, if it agrees to any concrete proposal, have regard to the commercial and industrial interests of the several Dominions from which raw materials are to be obtained.

Mr. MASSEY: We had some discussion on this subject, Mr. Long, last year, as probably you will recollect, and it was understood that the matter should come up for discussion again this year. I am very glad that it is being brought before the Conference, because I am quite sure that each and every member after the experience we have had during the last four years, or even a larger number of years for that matter, will understand its importance, looking at the different proposals and at the subject from an Empire point of view.

The last speaker referred to the different Dominions and Dependencies of the Empire as practically free nations, and it would be difficult to describe them in any other way. I, at any rate, will not attempt to do so, because I am just as anxious to safeguard the autonomy of the different parts of the Empire as any citizen of the Empire can possibly be. But in speaking of our Dominions, and thinking in their interests, we have got to consider that we are all parts of the Empire, and all under one Sovereign. And I hope that the present arrangement may last, as the saying goes, until the sound of the last trumpet, or at all events for many centuries to come.

However, dealing with the subject of raw materials itself, I think it might be advantageous to divide the classification of those raw materials into two sections: (1) those which may possibly be used for war purposes by other nations; and (2) those raw materials which are not required for war purposes. Now, if we go back for the last few years, I think each and every one of us can recollect instances where the raw materials produced within the Empire have been exported to present enemy countries. I am not speaking of all of them, I am speaking of some of them—they have been exported to present enemy countries, and by present enemy countries have been used, since the war broke out, against us for war purposes. It does not require a very great stretch of the memory to recollect that from different parts of the Empire—I am afraid we are all to blame in this respect—iron ores have been exported to Germany, lead ores have been exported to Germany, zinc ores have been exported to Germany, and what are called here oleaginous products have been exported to Germany, and in very large quantities. And what has been the effect? The effect has been, Mr. Long, that these articles have been fired back at our soldiers, fired back

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at our citizens, in the form of shells, in the form of bullets, and in the form of explosives. Now I hope that something will be done, that some satisfactory arrangement may be made, by which nothing of this sort will happen in the future. In saying that, please understand that I am not thinking of any of the present Allied countries. Though the results of the Paris Conference appear to have fallen through by the withdrawal of at least two of the countries concerned, I am strongly of opinion that, as far as we are concerned at all events, the principles of the Paris Conference should be observed; and so far as I understand the proposals now before the Conference, these proposals go in that direction.

The principle, I think, will be generally agreed to, though in all probability—and this is to be expected—some objection will be raised to one or two of the details. Sir Robert Borden has already referred to the transactions which have taken place, and are continually taking place, between the great Dominion of Canada and their neighbours the people of the United States. Well, in cases like those, I think such transactions may be safely left to the people immediately concerned to deal with—that is, to the Government of the United States on the one hand, and the Government of Canada—either the Federal Government or the Governments of the different Provinces, as the case may be, on the other. I cannot imagine that any interference is intended in that way, either between Canada and the United States, or between any other country of the British Empire and the United States, or any one of the Allied countries. Personally, Mr. Long, referring to the first line of the first Resolution, where it says that “it is necessary to secure a sufficiency of essential raw materials in order to enable the British Empire to repair the effects of the war,” I think each and every one of us agrees with this proposal, and agrees with the existence of that necessity, though there may be differences of opinion as to how best to go about meeting it. Personally, I believe that, with very few exceptions, the British Empire itself can, with a certain amount of encouragement, and not very much encouragement at that, produce all the raw materials required for its own purposes.

Mr. HUGHES: Hear, hear.

Mr. MASSEY: I am very strongly of that opinion, and I think that is the proper way to secure the sufficiency of raw materials which we all know the Empire requires, and particularly the heart of the Empire, the United Kingdom.

Now, if we take this List (1) in Resolution II., I am bound to say I do not know anything about asbestos. I know, of course, that it is a commodity which is in common use, which is urgently required for certain industries, and which could not possibly be done without except with difficulty and inconvenience. I am not going to speak upon that subject, but anyone who knows anything of the different countries of the Empire, tropical countries particularly, will know that with a little encouragement all the cotton required by the British Empire—required by or manufactured in the British Empire, England, Scotland, or Ireland—can without very much trouble be produced within the Empire itself. We know that very large quantities of cotton are produced in India and in Egypt and in parts of Africa. When I mention cotton, I am not suggesting that countries within the temperate zones, like New Zealand, can possibly produce cotton. Cotton can be produced in some of the Pacific islands, though there, again, there would be the difficulty about labour. But I am satisfied from what I have seen, and known, and read, that all the cotton required in the British Empire can be produced within the boundaries of the Empire, and particularly in India, South Africa and in Egypt. I think General Smuts will agree with me in that. I am not suggesting anything in the way of tariff; I am simply stating what we know to be a fact, and that is the principal direction in which I think, whether it is possible to do it at present or not, we can best secure the articles we require. Again, with regard to jute, we all know that India can produce all the jute which the Empire requires, and can produce a very large quantity for export afterwards. We do not need to look further. So with wool. Australia, New Zealand, South Africa, and even the United Kingdom itself, produce large quantities of wool, and I think I am right in saying that before the war very large quantities of wool were exported from

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British countries to foreign countries, and even to present enemy countries. And again referring to that point, I am sorry I have not got particulars here, because, as I indicated yesterday, I have not had time to read all the papers which have been supplied to us; but anyone who looks at the statistics of trade as between the countries of the British Empire, including Britain and present enemy countries, will find that the greater part of our exports to present enemy countries was made by way of raw material, and that, on the other hand, the greater part of our imports from the enemy countries was made by way of manufactured goods. That arrangement was too one-sided to last, and I am very glad indeed that attention has been directed to it by these proposals, and by other methods. I hope some other more satisfactory method will be available for preventing anything of the sort taking place, or continuing. Then, coming to hides and skins, we produce more hides and skins than the Empire requires. Notice came to the New Zealand Government within the last few months that the British Government did not require any more of our hides and skins. I am not finding fault with that; we shall have to find another market for our hides, and no doubt another market can be found.

Mr. HUGHES: We have enough hides and skins to clothe the Armies on the Western Front.

Mr. MASSEY: Exactly. We can find another market, if necessary, without difficulty, and I do not suggest for one moment that any objection will be raised from any part of the United Kingdom to our doing so. So with leather: the importation of leather from New Zealand has actually been prohibited in the United Kingdom. I do not know for what reason—but that shows that a sufficient amount of leather is available in the United Kingdom for its own requirements and for the requirements of the Army and Navy. Rubber can be produced in the tropical countries of the Empire in unlimited quantities, though, of course, since the war commenced there has been a tremendous demand for rubber, and it would be a very good thing indeed if we could prevent the exportation of rubber. I do not say we can now while the war lasts, but for a considerable time after the war, if not permanently. I do think that raw material that can be used for war purposes should not be exported from the British Empire to any country which is at war with us at present. Oleaginous products I have already referred to. Copra is produced in immense quantities in the South Pacific, and all of us who are residents in that part of the world know that immense quantities of copra produced there went to Germany before the war, part of which, no doubt, has been used for explosives. And so with lead and manganese. I should just like to call attention to the fact that we have very large quantities of manganese in New Zealand, none of which has been used. I do not know whether it is required, but the deposits are there when required either by our own country or any other part of the Empire.

I do not wish to go further, sir, but I have spoken principally with the object of emphasising the chief point I have endeavoured to make, which is this—that if we require—and we do—a sufficiency of certain raw materials for our own purposes, for the purposes of the civil population, for the purposes of the Army, and for the purposes of the Navy, as the case may be, then with a little encouragement, with the knowledge that we shall not be subjected to unfair competition, and that they will be purchased at a reasonable price if they are required, I honestly and firmly believe that nearly the whole of the raw materials mentioned in the two lists in Resolution II. can be produced within the Empire with very little trouble, and to the great advantage of both producers and consumers.

General SMUTS: Mr. Long, in their present form I must confess that I find myself under some difficulty in agreeing to these four Resolutions. They raise questions of general policy, they raise very large and very far-reaching issues of an Imperial, national, and economic character, and in this very general form in which the question of economic policy is raised, I would require a great deal of consideration before I could agree to the propositions which have been laid down.

I wish only to refer now to a few points which strike me on the first blush in this matter. I see that the first Resolution does not follow the recommendation which is contained in the First Report of the Raw Materials Committee to which

General SMUTS—cont.

you have referred.* The Resolution as it stands says that "it is necessary to secure a sufficiency of essential raw materials in order to enable the British Empire to repair the effects of the war as soon as possible, and to safeguard its industrial requirements, and that for this purpose it is desirable to control certain raw materials produced within the Empire." The recommendations of the Committee on Trade Relations raised a larger question which I thought was always part of this whole question—namely, the question of the economic offensive—the question of using this weapon as a war weapon in order to secure good terms of peace. That is the form in which the Resolution was recommended by the Committee on Trade Relations. They said: "The objects of control are: (a) To secure for the British Empire and the belligerent Allies a sufficiency of essential raw materials in order to enable them to repair the effects of the war as soon as possible, and to safeguard their industrial requirements." Then the Committee went on to mention the other objects, namely: "(b) To exert pressure on enemy Powers, so as to induce them to conclude an early peace for fear of economic ruin after the war. (c) As a result of such pressure, to strengthen our hands, and those of our Allies, in conducting the negotiations at the Peace Conference." That, I think, is the real policy. We do not want to enter into these very far-reaching economic arrangements simply as a settled post-war policy which is going to be followed in any case, and whatever happens; I thought the object was to get a weapon into our hands, a weapon which our negotiators at the Peace Conference might use effectively. But you see, Mr. Long, as the Resolution stands here, no reference whatever is made to this war weapon which we are going to use for peace purposes. There is only laid down a general economic policy for the future; and I certainly think the recommendation as originally made by the Committee on Trade Relations is wider, more far-reaching, and better than the first Resolution which is now before us.

Mr. HUGHES: But would it not be as effective, General, to endorse and to urge the giving effect to the Paris Economic Conference Resolutions in their entirety? They did all that.

General SMUTS: That is a question which we can discuss—the form which any general Resolutions are to take. I am simply discussing now certain objections to the form of the Resolution before us.

Now there is a second point which I wish to raise, and it is this. No doubt, if you read this first Resolution, you will see that a certain economic policy is here laid down, and when I ask myself whether this is the policy which we have followed in the past, I must frankly admit that it is not. The policy followed by the British Dominions in the past has been different. We have done our best from time to time to move the Imperial Government to agree to our ideas of fiscal policy. For one reason and another they have not been able to do so. Our policy has been one of free markets all over the world, subject to an Empire preference. That has been our policy. And last year I thought we had scored a point when we secured the adhesion of the Imperial Cabinet to this policy. The resolution which we passed last year, Resolution XXL, is as follows: "That the time has arrived when all possible encouragement should be given to the development of Imperial resources, and especially to making the Empire independent of other countries in respect of food supplies, raw materials, and essential industries. With these objects in view, this Conference expresses itself in favour of two principles: first, the principle that each part of the Empire, having due regard to the interests of her Allies, shall give special favourable treatment and facilities to the products and manufactures of other parts of the Empire." This Resolution was not only passed by our Conference, but was passed by the Imperial Cabinet.

Mr. MASSEY: And announced in the House of Commons.

General SMUTS: And announced in the House of Commons. And therefore, after this Resolution had been passed last year, I looked upon the Dominion policy as having triumphed, and upon the policy of Imperial Preference as having been adopted all round. That is the settled policy of our Governments, and it has worked very well in practice.

* See pp. 209, 210.

Sir ROBERT BORDEN: Of course, the method of preference was not set forth.

General SMUTS: As I read this first Resolution, Mr. Long, it seems to me to embody a different policy—that is a policy of control—not a policy of preference, but a policy of control, which means, as I understand, that the Governments of the various Dominions and of the United Kingdom have to take control of certain raw materials which are necessary for Imperial purposes, and that they shall control the supply of these materials to the various parts of the Empire, and thereafter to Allied countries, and thereafter, in regard to certain matters, to neutral and enemy countries. That seems to be an entirely different policy, and whether it could possibly work as an economic policy in practice I am very doubtful indeed. I just point this out—I may be wrong in understanding the first Resolution, but as I read it, it seems to me to embody a different policy from that of Imperial Preference which we laid down last year, and from which I should be very sorry to depart.

Mr. HUGHES: I do not think it is really so.

CHAIRMAN: It is not.

General SMUTS: I may be wrong. You see, Mr. Long, to my mind the whole question is what is meant by this word "control" in the first Resolution. Is it going to be legislative control or compulsory control by the Governments over the raw materials of their citizens? Because if that is so, then naturally you are going to raise very important and far-reaching issues. You know the Dominions are producers of raw materials to a very large extent. You are going to limit their markets, and I doubt very much whether you are going to pass this through the Dominion Parliaments, and whether the Dominions people will submit to a policy of that kind. They have with perfect goodwill gone in for the policy of Preference, but I doubt whether they will go in for one of legislative control. Therefore we have to deal very carefully with this question. If by control is meant the sort of arrangement which has been made hitherto—for instance, the purchase of wheat from Australia by voluntary arrangement between the Governments, or the purchase of cotton in Egypt the other day, which was also made by voluntary arrangement—if by control is meant similar arrangements to those, then I can only give you my personal opinion that that is the proper way to do it. But if by control is meant that the Dominion Governments must take legislative power to limit the markets of the citizens, then I think it is a wrong policy.

Mr. HUGHES: Such a control would postulate an Imperial Parliament having control, or else each one of the Dominion Parliaments passing a separate Act, each on similar lines, and they will never do that.

General SMUTS: That is why I say that, in this general form, as stated here, it is very difficult for me to assent to the first Resolution. I do not know what the word "control" means. It is subject to various interpretations.

Mr. HUGHES: I think it means what you said at first—that we should pursue such a policy as would in effect give us control by purchase—by negotiation.

CHAIRMAN: Certainly.

General SMUTS: We must be quite clear.

Mr. LLOYD: The whole kernel of the matter is what does "control" mean, and it is idle to discuss the question until we get that settled.

Mr. MONTAGU: May we have an explanation of this, because so far as I understand, the position is this. Take our own country at the present moment. No owner of raw material can export to an enemy country while the war is on. When the war is over, unless we take power to control the export of raw materials, anybody can export where he likes. Now I thought the meaning of this first Resolution was that in order that we may be free if we want to devote our raw materials to the welfare of the Empire, it is necessary first to control raw materials, otherwise we shall not have it in our power to do what we want.

CHAIRMAN: That is so.

Mr. HUGHES: But, Mr. Montagu, this first Resolution in effect is one of the Resolutions of the Paris Economic Conference. It is practically that.

Mr. MASSEY: In effect.

CHAIRMAN: I do not want General Smuts to be interrupted. We can deal with these specific points afterwards.

General SMUTS: I was just raising some difficulties on the form. I do not want to affirm principles which will be misunderstood in the Dominions, because these proceedings will be published, and they will be misunderstood. If they are misunderstood here round this table, one can easily understand the different interpretations which will be put upon them by others outside.

Sir ROBERT BORDEN: Each one of us may have a different idea of what the word "control" means. We must get down to some form of words to express an idea which is common to all of us.

General SMUTS: And that is why I thought we were beginning at the wrong end of this subject. After all, we are all at one in our object. We passed the Resolution last year, and I need not refer to it again. This was agreed to, not only by this Conference, but by the Imperial War Cabinet, and it laid down the policy that all possible encouragement should be given to the development of Imperial resources, and making the Empire independent of other countries in respect not only of raw materials—

Mr. MASSEY: All the way round.

General SMUTS: Not only in respect of raw materials, but food supplies, raw materials, and essential industries. It was a very far-reaching Resolution, and we are absolutely at one that that is our object.

CHAIRMAN: That will come later on, you know—the proposals for foodstuffs, and so on. We have kept the matter within these four Resolutions merely for convenience of debate.

General SMUTS: I was going to submit, rather, whether it would not be more useful for us to go into a more detailed discussion of some of these topics, like the control of base metals, wool, or any other items, rather than lay down large principles which have been already affirmed in last year's Conference.

Mr. HUGHES: Well, I am inclined to think, if I may be permitted to say so, that the Resolution to which General Smuts alludes has reference more to a suggestion that each Dominion Legislature should give, by tariff or in some way approved by each Legislature, special treatment to different parts of the Empire, including Great Britain.

Mr. MASSEY: What about Great Britain itself? That is what most of us had in mind, I think—or one of the things.

Mr. HUGHES: Quite. But this question appears to be quite different. This is not a question of giving favourable treatment to imports of merchandise from Great Britain, or raw materials from the Dominions, but of having control over the *corpus* of these in their entirety, and saying that as it is necessary for the salvation of the Empire that, for example, it shall have a sufficient supply of non-ferrous metals, and as we have within the Empire a sufficient supply, therefore we now here pledge ourselves to reserve that supply for our own requirements first, and subsequently, if there is any residuum, for our Allies, and then for neutrals. That is practically what this is.

Mr. HEWINS: Yes.

Mr. HUGHES: The one is specialised treatment by tariff, and the other is actual control over the thing itself—to prohibit or control its export. The destination of Australian wool, for example, is controlled, so that it can only go to some part of the Empire, except by licence.

Sir ROBERT BORDEN: Well, that presupposes that the policy is going to be carried out—then you must have some market for it within the Empire.

Mr. HUGHES: That is my point, sir, and I hope that other Dominion representatives will see this. It is very unfair to say that we must only sell within the Empire those things which the Empire wants, and that you may then slam the door and say, "Well, we cannot buy that." Where are we going to sell it? I say all or none. Take all, and we pool our resources for the national safety and for the economic development of the Empire. That is the position.

CHAIRMAN: May I ask the General if he has finished?

General SMUTS: I have finished my remarks.

Sir ROBERT BORDEN: What is the exact proposal? What have we in our minds with regard to any surplus of these articles? Is there behind this a proposal that we shall keep them as far as possible from enemy countries?

Mr. HEWINS: Oh, certainly. That question, Sir Robert Borden, does not arise with regard to very many articles, because when you have satisfied the needs of the Empire and of our Allies, there is not very much left.

Sir ROBERT BORDEN: That emphasises the importance of what I said a moment or two ago. The United States is a tremendous economic force, and cannot be overlooked in this respect. Normally we do very much the greater proportion of our trade with the United States. Now, let us suppose that you desire to control some article which is produced in Canada and which would be of great importance to the enemy, whether in time of peace or in time of war. If you desire to keep that from the enemy, how can you do it unless you have the co-operation of the United States in the proposal? It would be idle for us to attempt to keep back our raw materials from the United States, because we are dependent on the United States for a great many of their raw materials. Well, when once our raw materials go to the United States, inevitably they may go to Germany, to Austria, or to any other country, unless we have the co-operation of the United States in the purpose we have in mind. That is why I think there should be co-operation with them and co-operation by them.

CHAIRMAN: Before the Prime Minister's question is answered—which I will ask Mr. Hewins to do presently—I must ask whether the Prime Minister of Newfoundland or any other representative would like to add anything to what has been said.

Mr. LLOYD: What I should have wished to say has already been said by other Prime Ministers and representatives. What I am most concerned with is, what is the exact meaning of "control," because on that seems to hang the whole of the questions. We have food control, shipping control, and the use of the word "control" in such phrases gives us some definite ideas, and that is how it appears to me. The object is to limit; it is not to offer any special facilities within the Empire, but rather to confine and to limit, and to say that such and such raw materials shall go there and shall not go elsewhere. Now, if that is the proposition, then we know exactly where we are. I cannot see what else it can mean. As regards the articles enumerated, it is not a matter material to Newfoundland, but I take it the object is rather to control in such a way that the advantage shall be to the various parts of the Empire and to the Allies. I am not clear that there is not a little confusion between No. I. Resolution and No. II. No. I. deals specifically, and only, with parts of the Empire, whereas that first list in Resolution II. speaks of "raw materials of Empire origin required by the United Kingdom and the Allies"—as if the Allies were to be treated exactly on the same footing as parts of the Empire. But that is merely an inference, because in Resolution I. it is clearly laid down that the Empire is to be treated preferentially to the Allies, while, inferentially, in Resolution No. II. there is to be some kind of similar treatment to the Allies. I should like that point to be made clear—whether the Allies are to be treated on the same footing as parts of the Empire, because that would dispose of the question so far as it affects Newfoundland, and probably Canada. In taking that first list, for instance, we are only concerned in Newfoundland with hides, skins, copper, and oleaginous produce. Our main markets for those articles are the British Islands, Canada, and the United States, and if they are to be treated alike, as we know our markets and are not likely to have any other markets, Newfoundland would not have any objection to control of exports to present neutrals and enemies, if the wording means, as I think it means, limitation of places of export, or giving preferential treatment to the British Empire and Allies. But I think we ought to be clear at all events as to what we mean by "control," and that word ought to be defined before we go any further.

Mr. MONTAGU: Mr. Long, on behalf of India I find myself in greater sympathy with the Resolutions as they stand than many of those who have gone before. It is quite true, as Sir Robert Borden and General Smuts have pointed out, that there are other questions involved. There is the question of the supply to our Allies of their needs, which ought clearly to come before the needs of neutrals, and there is the question of the economic offensive against the enemy, with a view to concluding as early as possible a satisfactory peace. Those two questions, it seems to me quite clearly, can only be discussed profitably between ourselves and our Allies by a renewal of something like the Paris Conference of last year. But does it not seem clear that before we can negotiate with our Allies on either of these subjects, we must find out what the Empire is willing to do as a whole, in order that we can negotiate with our Allies and use threats to the enemy as one united Empire? And the first essential, before we can consider what we shall do with the enemy, or what we shall do with our Allies, is to undertake the control, or to take power to control by some form or other, the essential raw materials of the Empire. Otherwise negotiations are useless, because we have not the power to carry out those negotiations. I do not think it would be possible—I speak with great humility—to define in one sentence what the control should be, because I think in each country you might have a different form of control, and in each commodity you might have a different form of control. In one case it might be control by licensing exports, in another case it might be by fixing prices, in another case it might be by purchasing a commodity on behalf of the State. All those methods, and perhaps others, might be used. And therefore I think that it is incumbent upon us, if we are to pursue either the policy of devoting the resources of the Empire to the needs of the Empire, or of building up the Allies first, or of preventing the enemy from getting supplies, to settle once and for all, in general principles, that we are willing to consider the question of control, and that it will be necessary to control certain raw materials. As far as the first Resolution goes, as far as I understand it, it is only certain raw materials that are referred to, and no attempt is made to define those raw materials. The second part of the Resolution merely enumerates lists of substances of importance, the consideration of which is necessary.

Now on behalf of India, which has, I think, a very leading interest as the sole producers of jute in the world, and as producers of half the cotton in the world, the assent of India to this must depend upon three conditions, some of which have been mentioned. The first is that a market shall be found for the whole of the exportable surplus of the particular commodity controlled. It would be, in my view, obviously impossible for a country to agree to the control of a commodity if that meant cutting off the producers of that commodity from their available markets without giving them adequate markets elsewhere. The second is that an adequate price is secured to the producer of the commodity. If a commodity is not controlled and all countries compete for it, and it is a commodity of which there is a short supply, the prices would be very large, no doubt. But if we control the destination of a commodity, it seems to me that we do directly or indirectly control the prices for the benefit of the consumer. And although I do not mean to suggest that India should have for its cotton and jute products which are prevented from going to Germany the prices which Germany would give, I do think that the grower of cotton and jute should be given an adequate price for what he produces. And then, of course, the third condition seems to be almost axiomatic—that if the commodity is the subject of manufacture in India, the needs of the people in India must first be met.

That brings me to another subject which I am afraid the Conference will have to consider in discussing these Resolutions, although it does not necessarily involve the discussion of raw materials. If I am right in arguing that control, by whatever means control is exercised, reduces the price of a raw material, it seems to me that it is certain to follow that the consumer of the finished article which is made from the raw material the price of which is controlled, will demand that the price of the finished article shall be controlled. I notice that in the war aims of the Labour Party in this country, it is urged already that the consumer shall be protected by the control of prices of manufactured articles. I should submit that the political force of that cry will be very strong indeed if by State action the manufacturer of the manufactured article gets his raw material cheaper by reasons of State control.

Mr. MONTAGU—*cont.*

Well, sir, as regards the second Resolution, which, as I understand it, merely asks us to pledge ourselves to consider particular articles, it does not seem to me to be necessary at this stage to examine them in detail. But when I come to the third and fourth Resolutions, I would submit, with Sir Robert Borden, that there is great danger in the exact wording of the fourth Resolution; and with regard to the third Resolution, it does seem to me to be difficult to suggest that the delegates are to be empowered to make arrangements. I should have thought, so far as India is concerned—and I can only speak for India—it would be necessary for the delegates to suggest arrangements *ad referendum* to the Government they represent.

CHAIRMAN: Does anyone else wish to say anything with regard to the general question?

Mr. BURTON: Before Mr. Hewins answers these questions, I should like to say that I entirely share the feeling which has been expressed about this whole matter—that the first essential is to know what we are talking about and exactly what we are agreed upon. I agree with what has been said, that the word “control” in the first Resolution is really going to govern the whole business, and that until we know exactly what method of control is intended—and I hope Mr. Hewins will explain that to us—it would be a dangerous thing to agree to the Resolution as it stands.

Sir ROBERT BORDEN: And the extent of the control.

Mr. BURTON: And the extent. Now Mr. Montagu has referred to the same point, and he rightly admits the necessity of our having some control. It seems to me that he was discussing the question of control during the war, and arguing from that that we should require control after the war. It is the control after the war that we are concerned with, and that is exactly where the importance of the whole thing comes in. Well, then he went on to say, as other speakers said, that we wanted a definition of the word “control.” I wanted to ask Mr. Hewins to tell us whether the definition, to some extent at all events—to an important extent—is contained in the Third Report of the Committee on Trade Relations.* Paragraph 1 of that Report says, as you will see: “Moreover, it seems essential to the success of the policy that three general measures of control should be adopted, in respect of these materials, by every part of the Empire which either produces them or exports them (a) To prohibit their export and re-export (except under licence). (b) To reserve the right of requisitioning them when they are stored for foreign account, or otherwise unreasonably withheld from the market. (c) So far as the non-ferrous metals are concerned to adopt the policy which is embodied in the Non-Ferrous Metals Act of the United Kingdom, and in the similar war legislation of the Australian Commonwealth.” Paragraph 2 tells us that: “With regard to the further measures of control which may be necessary on the part of the Dominions which own the raw materials in question, we can only suggest for their consideration, if they desire to study precedents and models, the following examples,” which we know about, for instance, the licensing scheme, about which the essential thing which I should like to have cleared up is whether these methods of control which are expressed as being necessary as general measures of control, are an integral part of the policy. They must be, I think, because there is another Resolution drafted by the President of the Board of Trade which is to the effect “That this Conference is of opinion that it is advisable that the Governments of the Empire should take early steps to secure the necessary powers, where such powers do not exist, to exercise control for a limited period after the war over the importation and exportation of all or any classes of goods.”

The only thing this can mean must be that the Dominion Parliaments must introduce legislation for that purpose. We must have the power, otherwise we could not do it.

Mr. HUGHES: Could not do what?

Mr. BURTON: Could not control, by prohibition of exportation otherwise than by licence, unless we had got Parliamentary authority. That is one thing we must make up our minds about; that is as clear as day.

* See pp. 212-221.

Mr. HUGHES: Power to prohibit export without legislation is very wide. It is probable you could do it, but it would be a roundabout and unsatisfactory way of doing it.

Mr. BURTON: What I want to have made quite clear, when Mr. Hewins gives his explanation, is this. It seems to me, with regard to the Committee's Report, that the prohibition of export and re-export (except under licence), and the reservation of the right of requisitioning, are things which it is impossible for us to do effectively at all, except by authority of Parliament. That, then, envisages the introduction in each Dominion of legislation which will give the Administration the power from time to time—I want to know whether I am stating it correctly—to say, at one time, "You may export to this country," and a few months after, "You may not export to this country"; or, "You may export only to this country," and so on. I should like that to be clear, because I feel this—and it was referred to briefly by General Smuts—that if it is of the essence of the thing, as I think it must be, it raises questions of the utmost importance and difficulty as far as we are concerned (and I imagine it applies to all the Dominions) in securing legislation of that sort. So that is our position. Remember what you are putting to the people—that they are to give into the hands of the Executive—not into the hands of Parliament from time to time, but into the hands of the Executive—the right to say, "We will do what we like about directing your trade into this or that channel."

There is one more point I want to touch upon, and that is the point raised by Mr. Montagu as to manufactured articles, and it has struck me that sufficient attention has not been paid to that yet. The object of the policy is to secure, quite rightly from our point of view—sentimentally we are all in favour of doing everything we can to further it—that raw materials shall be kept for the use of the British Empire; and, therefore, powers are to be taken to control these raw materials. Is the manufactured article, when it is made from those raw materials, to be subject to any restriction or control? Or is the manufactured article to be sold freely to the enemy if he wants to buy? What is the view which the Colonial Office places before us with regard to that aspect of the matter? What is to be done with the manufactured article? How is that to be dealt with? Is that to be quite free to go anywhere; or is the Empire also to have any sort of preferential treatment with regard to that?

These are the matters which I wanted to refer to briefly, in addition to what has been said, and I am particularly anxious to hear what is the state of affairs with regard to the method of control, because on that rests, certainly, our view about the whole question.

CHAIRMAN: Does anyone else wish to make any comments, or ask any questions, before I ask Mr. Hewins to deal with the points which have been raised?

Mr. HEWINS: Mr. Long, may I take, first, the question—viz., what is meant by control?

Mr. MASSEY: Before you go on, may I say that I have to leave in a few minutes, and if I go away in the middle of Mr. Hewins's speech you will understand that is only because I have to.

Sir ROBERT BORDEN: I may say the same.

Mr. LLOYD: Could we adjourn now?

Mr. HEWINS: I shall only be a few minutes.

Mr. COOK: We are all in the same position, I think.

Mr. HEWINS: May I deal first of all with what is meant by control? I think in the first Resolution we proposed the word "control," as opposed to the entirely unregulated state of things which would exist with regard to raw materials and other articles if we did not take definite measures. As I explained, in my opening remarks, we deliberately did not define the word "control" very rigidly and exactly, because the methods by which you will deal with different raw materials would differ in different parts of the Empire, and according to the different powers enjoyed by those different parts of the Empire. Take, for instance, this country. Suppose we do not adopt any measures of control whatever. Then, directly the war ceases, we fall back, I will not say into pre-war conditions, but we fall back into conditions of

Mr. HEWINS—*cont.*

absolute chaos as regards all import and export trade. It is therefore necessary to consider, from the point of view of the transitional period after the war, quite apart from all other questions, what measures of regulation you will adopt. Now in certain directions legislation will be necessary. In this country there are certain things which we cannot do without legislation—things like the Bill which Sir Albert Stanley is going to explain presently, on the control of imports and exports. We cannot move a step unless we have a Bill like that. But "control" is not intended to mean complete regulation and control by the Government at all times and in regard to all commodities. The particular method will have to be worked out appropriately to each particular article. Take, for instance, the case of Egyptian cotton. That would mean purchase. Other articles may require just regulation; other articles still may require regulation by licence.

Mr. HUGHES: All these things are alike in this particular—that they interfere with private enterprise.

Mr. HEWINS: Unquestionably.

Mr. HUGHES: And with the ordinary commercial methods of sale and purchase.

Mr. HEWINS: Well, Mr. Hughes, I should not like even to put it quite like that. I think the regulation of these articles is necessary, when the war ceases, if you are to get enterprise at all in any kind of decent and free way, because the conditions will be so chaotic in the absence of such regulation and control, that it will be extraordinarily difficult to carry on business at all. But I agree otherwise with your correction. I have referred to this country because the measures of control which it is desirable to adopt, in any given country among the Dominions, in order to carry out any stated object, are clearly matters of opinion—though as a matter of fact Canada has, I think, already taken powers similar to the Imports and Exports Bill which we propose to adopt here.

Sir ROBERT BORDEN: We have not passed any Bill to that effect, but under our War Measures Act we can do the same thing.

Mr. MEIGHEN: That is only for the period of the war.

Mr. HEWINS: I do not know that I can carry the definition of "control" further than this description of the measures which may be necessary in particular cases.

Mr. HUGHES: If you were to say "it is necessary to ensure an adequate supply of raw materials for the purposes of the Empire," that might meet the objection of some gentlemen—unless you are able to say that "control" does not really mean control.

Mr. HEWINS: Oh, "control" means control.

Mr. HUGHES: Then if it means control, it precludes individual action.

Mr. HEWINS: So far as it is exercised, it does.

Mr. HUGHES: And no man can say what the control is to be in any particular case. All is incertitude and unrest. A man says, "I have got a thousand bales of hides to sell; can I sell them?"—and you say, "Great Britain has not decided whether you can sell them or not." That will not do.

Mr. HEWINS: No, it does not mean that. These methods which are in operation at the present time are set forth in this Third Report on Raw Materials.* It is not proposed to adopt all these methods all round for everything, but, as we proceed with this discussion, what I trust will happen will be that we shall take the articles individually, and see, with regard to those articles, what are the general measures which it is desirable to adopt. We cannot answer in general terms.

Mr. BURTON: Why, then, if that is so, do you say, "It is essential to the success of the policy that three general measures of control should be followed?"

Mr. HEWINS: Because I think you will find, as you survey the articles, that one or other of these methods will be applicable.

* See pp. 212-221.

Mr. BURTON: You say that three general measures should be adopted. The ones regarding purchase and licensing are only subsidiary ones, put in at the end.

Mr. HEWINS: No, I do not think it implies that. But as a matter of fact these are not formal recommendations; this is only a description of what is done at the present time, and as you survey these different articles, first one and then another, you will find that one method of control, say licensing, is necessary for one, and that another, say purchase, is necessary for another. And in all these cases we in England would certainly require legislative action before we could move at all—in many of them at any rate. I do not know what is the situation in the Dominions. But it certainly is not meant that all these methods of control are to be operative generally; you would have to draw up your particular schemes.

Mr. HUGHES: May I put this to you. We have had to deal during the war, as you perfectly well know, with concrete cases.

Mr. HEWINS: Yes.

Mr. HUGHES: Take the case of wool. You buy the whole clip.

Mr. HEWINS: Yes.

Mr. HUGHES: Now that is a complete and satisfactory solution of that.

Mr. HEWINS: That is finished then.

Mr. HUGHES: That is a complete solution of that. You buy a certain proportion of our zinc, and for a term of years. That is a perfectly satisfactory solution, because we know how much we have sold, and we know how much we have got to get rid of elsewhere. But take our hides and tallow. There we are in confusion. If you will not take them, we cannot dispose of them elsewhere. We do not know what to do. Of course, in war our merchants put up with all things, but in peace they will not; and one thing is certain: this system of control—and I think it would baffle the ingenuity of man to draw it up and show that there is a system—would have to dispose of the thing finally, so that a man in the wool trade could say, "Very well, I am selling seven-tenths of all the wool of Australia to the British Empire, and I have got to find a market for the other three-tenths." And the same with zinc. As to copper, the world is before him, and he has to sell it where he can. With regard to hides, however, tallow, butter, and meat, he is told, "Well, if the British Empire wants it, then it is to be reserved"; and in the meantime he cannot go into the markets of the world and sell, because he does not know whether the British Empire wants it or not. That will not do.

Sir ROBERT BORDEN: But, Mr. Hughes, you are speaking of conditions as they prevail during the war. The British Government, for example, buys all the food required for the population here; and you have been giving, as an illustration, wool required for war purposes. Is it contemplated that that form of administration is likely to continue after the war?

Mr. HEWINS: I trust not. But if you could get a definitely settled policy with regard to articles formulated for after the war, surely that would be so much to the good, and all we suggest is that we should consider these articles with a view to adopting a united policy.

Mr. HUGHES: Now Sir Robert has raised a question which opens up new ground. I thought it was proposed, in regard to this very thing which has just been mentioned, to continue this policy after the war. Otherwise I see nothing in this word "control." What is it? We sell our wool by auction, and we are perfectly prepared to sell it by auction to-morrow, and we can get a better price for it. But you say you will buy it. Very good; we should sell it to you, and at a lower price. But if you are not going to keep this system on after the war—

Mr. HEWINS: Mr. Hughes, you have referred to the very rapid changes which have taken place during the war. I trust these will all be reduced to somewhat more normal action when the war is over.

But if I may go on to one or two other points, Sir Robert Borden raised the question of our Allies. I should like to deal with that if I may. What we are dealing with to-day is the question of the order in which you will take your steps. The reports which are before you do provide for those negotiations which you have

Mr. HEWINS—*cont.*

mentioned with our Allies, especially with the United States. But in the order of the proceedings it is almost, I may say, necessary that the Empire should know where it stands with regard to these different raw materials, before it enters into negotiations with the Allies in respect of those raw materials. First of all the Empire, then our Allies. There is no idea whatever of pursuing a policy inimical or antipathetic to any of our Allies. It is simply a question of making up our minds first of all with regard to the position of the British Empire, and then making the necessary arrangements with our Allies.

Sir ROBERT BORDEN: To avoid misunderstanding, I was going on to point out that if the United States had any settled objection to the policy involved, that would be fatal. It could not be effectively carried out without their co-operation.

Mr. HEWINS: I agree it would be impossible to carry out this policy effectively without the co-operation of the United States.

Mr. HUGHES: When we were at the Paris Conference, although America was not there, the parties there present were able to make such an arrangement effectively; that is to say, they were the parties who could, by trading with one another, and by making arrangements as to raw materials, really carry out this policy. We are not.

Sir ROBERT BORDEN: I should expect that the United States would co-operate.

Mr. HUGHES: Oh, I think so. But they would have to be consulted.

CHAIRMAN: I think we had better adjourn now.

FOURTH DAY.

Monday, 24th June 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 46, 47 of [Cd. 9177].)

Control of Raw Materials.

CHAIRMAN: It seemed to me, in the course of the discussion we had the other day, that there was some little misunderstanding as to the intention of His Majesty's Government in making these various proposals to the Conference, and also some misunderstanding as to the effect they were intended to have. General Smuts referred to the policy of preference, and I gathered that he looked upon these proposals with regard to raw materials as being rather a departure or a substitution. But that, really, is not the case. The Conference will find that we have made definite suggestions as to a policy of preference. Of course, this is really a matter for the Government at home: the Dominions have already made their views quite clear on this subject, and have, for a long time, adopted a policy of preference towards the United Kingdom. And what we decided last year was that His Majesty's Government should now proceed on somewhat similar lines, and we have made some definite proposals which really are part of a big policy. We propose that there should be a preference in all cases where articles are now subject to a duty (except where there is an excise) and a preference when new import duties are imposed. The preferences recommended on present dutiable articles are at the standard rate of 33½ per cent. rebate on the ordinary duties. We also proposed some temporary preferences to our Allies, who have made great sacrifices in the common cause, to assist them to repair the ravages of war. But these Resolutions which we are asking the Conference to consider now, are not really in the nature of a policy of preference; they are intended to deal solely with the question of raw materials. And our object—the object of His Majesty's Government and of the Committee who considered all these various problems—is, in the first instance, to secure, if it be possible, united action on behalf of the Empire as a whole. Because it is quite obvious that, whatever steps we may take here, it will be the duty of the Government through the Foreign Office to follow up an active alliance, Allies and neutral. Our position, obviously, would not be as strong as it would be if the Empire were, happily, able to speak with one voice upon this question of raw materials. I do not know how far members of the Conference have been able to follow the statements made in the German Press and made by German statesmen, but it is perfectly clear that they are thinking almost as much on this question of raw materials now as they are, I think I may say, of the offensive of the war in its other form. They realise the vital importance to them of raw materials. And in the course of inquiries, examination into the figures showed us how tremendously important it is to Germany to be able to resume—that is if she can—the position she occupied before the war, when she was getting her raw materials very largely from the British Empire. And our object was to secure a position for the Empire which would, if possible, prevent a return to anything like the conditions which existed before the war. It was suggested to us that if peace proposals were made it was possible that a suggestion might be made for an armistice, and unless there was a definite policy adopted by the Governments of the Empire in regard to the control of raw material, our position in any such Conference would be one of very great danger. With regard to the position of the Dominions, I think my colleagues will find, as they examine the various proposals which we have made, and as they read the three Reports on Raw Materials,* that there is the strongest expression of a desire on the part of our Committee, representing His Majesty's

* See pp. 209-221.

24 June 1918.]

CONTROL OF RAW MATERIALS.

[4th Day.]

CHAIRMAN—continued.

Government, that each Dominion should be absolutely free to exercise their own methods, and to adopt such schemes as they think right, provided only, if it were possible, that we may get united action on the part of the whole Empire. I can say this, as Chairman of the Committee—and Lord Robert Cecil is present, as well as Sir Albert Stanley and Mr. Hewins, who have all three been members of the Committee—that we have given an immense amount of time and labour to the examination of these problems, and we believe that our recommendations, which were unanimously put forward, are on the whole well calculated to meet our difficulties. But, of course, we do not imagine for a moment that they are absolute perfection, or that they are not capable of improvement. And it occurred to me that instead of greatly prolonged debates in the Conference—as we are very anxious to get on with our work—it might be the pleasure of the Conference to appoint a sub-committee of the Conference to act with three members of our Committee, with the view of dealing with details, and getting the resolutions into such a form that they might be adopted, then, by the Conference without taking up too much of our time. I do not know whether that suggestion will commend itself to the Conference. What I would propose for to-day is this: Mr. Hewins is here, who was Chairman of the Sub-Committee and who knows the subject and speaks with unequalled authority on this question, and he could answer any question here which any member of the Conference would like to address to him. I thought it desirable to say these few words, because I think there was a slight misapprehension before, both as to what the objects of the proposals were, and as to the proposals themselves.

Mr. MASSEY: Has it been made sufficiently clear that these proposals are only intended to apply to the transition period following the war?

CHAIRMAN: Yes, quite.

Mr. MASSEY: Very well; it is as well to be clear about that. Then there is another point referred to in your remarks. Do I understand you to say that the British Government intend, later on, to propose preference duties for the Dominions and Dependencies and the whole of the British Empire outside the United Kingdom, of 33½ per cent., or some other percentage?

CHAIRMAN: The position is exactly this. As you will remember, last year not only did the Conference adopt preference resolutions, but the Imperial War Cabinet adopted them after considerable discussion—you took part in it, Mr. Massey. Now, acting on the instructions of the Cabinet, we have had a Cabinet Committee, composed of members of the Government, exclusively Ministers, and we have made these recommendations. They have not yet been adopted by the Government and by the Cabinet as a whole, I understand, but I do not imagine any difficulty in that. We have done what they told us to do; we have gone into the thing and made recommendations, and they have yet to be put together, and perhaps slightly altered in detail. But they are the definite recommendations of a Cabinet Committee of the Government.

Mr. MASSEY: That is very interesting. I do not want to take up the time of the Conference, Mr. Long, or to make anything like a speech, but I think your proposal of a Committee or a Sub-Committee to deal with this matter is a good one. We have now had several meetings, and we have not got very far with our programme, and I am afraid, unless we do better in the limited time at our disposal, we shall go away without having done very much. That is a thing we want to avoid as far as possible.

CHAIRMAN: I am giving instructions for a Foreign Office Memorandum headed "Recent German Pronouncements on Economic Policy," to be circulated at once. It is an extremely useful paper, and well worth careful study, I am confident. And it has been very carefully considered by the Secretary of State, myself, and by Lord Robert Cecil.

Mr. MEIGHEN: With regard to the Sub-Committee's recommendation as to the establishment of preference, does it go further than tariff preference? Does it extend into the field of transportation preference? Because it is my understanding of the original Resolution that the specific field of preference was not set out.

Mr. MASSEY: No. There was a fairly long discussion. I have a perfect recollection of what took place. It was as comprehensive as it was possible to make it. In its original form it referred only to Customs tariffs, but in the form in which it was passed, it included everything to which preference can apply.

Mr. MEIGHEN: I asked whether the Committee had extended its recommendations into any field except tariffs?

Mr. HEWINS: The report which the Committee has drawn up deals with preferences on articles at present dutiable, preferences in respect of any new duties which may be imposed, and administrative preferences. The subject of shipping preferences has been considered.

Mr. MASSEY: Transportation?

Mr. BURTON: Including shipping preference?

CHAIRMAN: Yes.

Mr. COOK: It seems to me, Mr. Long, this question of preference is not one which could be settled across a table like this at all in its final shape and form.

Mr. MASSEY: It is a matter for the British Government.

Mr. COOK: No, not quite that. It seems to me, in any question of preference, the point is as to where you can apply it, or in what form: it is not a continuous measure in operation, but a process to be exercised from time to time. And I cannot help feeling that the whole thing is adequately provided for, or is intended to be provided for, in No. III. of the Resolution as to control of raw materials.

Mr. HEWINS: That has no reference to preference.

Mr. COOK: Has it not? Then what is meant by appointing delegates to make reports?

Mr. HEWINS: This Resolution is only in regard to raw materials. I was answering Mr. Massey's question about tariff preferences and other forms of preference.

Mr. COOK: But it is included in the whole of these resolutions.

Mr. HEWINS: The effect of these resolutions would be to give a sort of preference on raw materials to the Empire.

Mr. COOK: Quite, and a Committee is to be appointed for the purpose of applying that preference, and studying it, as to the extent of its application, and the form of its application. It seems to me, therefore, that that third clause is a very useful one, provided a suitable verbiage can be agreed upon.

CHAIRMAN: That is the one in which "the Conference resolves that each of the Governments," &c., &c.

Mr. COOK: Yes. I cannot help feeling that the whole question turns largely on that. And therefore I suggest that there should be a Committee, a separate Committee, appointed to pass some of these propositions, as to their form and as to their verbiage. If that is done, it seems to me we shall get over all our difficulties. We are boggling, so far, at words, and some of them are unfortunate. Naturally we, in our Dominion, look askance at anything which seems even to suggest the possibility of our self-governing powers being interfered with and controlled in any way, as indicated in the first paragraph here: there can be no doubt the language will carry such a connotation as even that. And so we look at them in a more particular way than you do: and we read our own meaning into these words, as you read yours.

CHAIRMAN: Quite.

Mr. COOK: And there are several points on which all this discussion and criticism arises. I think if three or four men from this table were to re-draft these, so as to make the verbiage fit what we have in view, it would be the proper and useful thing to do. I support the suggestion.

CHAIRMAN: In the Second Report on Raw Materials,* paragraph 3 clearly expresses what our views were on the point Mr. Cook has raised, where we say we recognise that each Dominion and India must be mistress in her own house and must be left to decide in respect to each raw material she produces whether she will control it, and how she will control it, and for whose benefit she shall exercise that control.

* See p. 210.

Mr. COOK: Yes, that is quite clear. If that idea can be incorporated in these Resolutions it will be all right.

Mr. BURTON: Mr. Long, when we last discussed this matter I raised a question with regard to this word "control" and its interpretation by different people. I am not at all opposed to the idea of having a Sub-Committee to go into the matter, if that is really going to expedite our work. But I am bound to say, as far as we in South Africa are concerned, I think a very little alteration of the phraseology of these Resolutions will put them into a form in which we can accept them, and we might really do our work here more quickly with a little alteration of some of these terms than even by appointing a Sub-Committee. I was glad to hear you say it is desirable to get on with our work as quickly as possible. Our idea about the thing is that we are discussing your four Resolutions.

CHAIRMAN: Yes, please.

Mr. BURTON: Very well. Now a word about an expression which we all boggle at, and I think, with some reason. It is the introduction of the word "control" into that first resolution. That is open to great misapprehension and misinterpretation. I think I know what is intended, perfectly well, I think we all do. But that expression seems to connote, or may be taken to connote, some form of compulsion, legal or otherwise. If we could change that, so as to keep the sense but alter the expression, it would remove a good deal of our difficulties. I thought of some alternative phrase, it is difficult to get one, no doubt. I thought there, instead of saying "control," we might say, "and that for this purpose it is desirable to obtain command, as far as possible, of certain raw materials."

Mr. MASSEY: It is the same thing.

Mr. BURTON: No, I think not. To "obtain command" does not bite like "control" does.

Mr. MASSEY: Yes, there is a little bit of difference.

Mr. BURTON: I merely throw that out as a suggestion; some such phrase changing the word, would be better. Then we can accept it. The idea is that we should endeavour to get command of these supplies as far as we possibly can.

Mr. MEIGHEN: I think it is better to import into that clause the idea of control by the properly constituted present Authority. Otherwise I think it will go some distance towards wrecking the very cause it seeks to help.

Mr. MASSEY: Would it not be worth while to settle the first proposal, as to whether we are going to have a Committee? If not, we can go on with the discussion.

CHAIRMAN: I suggested a Committee, because I thought we might arrive at general agreement in that way. Drafting resolutions at a Conference like this is difficult. It is, as a rule, better done by a Committee.

Mr. LLOYD: I think certain principles ought to be clearly laid down by the Conference before we go on with the proposal for a Committee. For instance, I am not clear at all as to what the object is. The first Resolution refers to proposals to enable the British Empire to repair the effects of the war. The second gives a list of articles which are suitable for such control, articles which are required by the United Kingdom and the Allies, the idea being that you are proposing to benefit the Allies as well. There is nothing set forward explicitly and expressly in these Resolutions as to what our position is with reference to this matter. Are we to benefit the United Kingdom by them, or the British Empire, or the Empire and the Allies? That ought to be clearly stated and the principle settled before we go into the matter of a Committee, because it is a very material matter. As far as we are concerned, our main market would be the United States.

LORD ROBERT CECIL: I entirely agree with what has been said, if I may venture to say so. I confess I would rather like to see paragraph 2 of the First Report on Raw Materials* set out as part of the Resolutions of the Conference, or at all events agreed upon by the Conference, as expressing the policy which they desire to see carried out. Perhaps you will refer to the First Report on Raw Materials, second paragraph. It was referred to by General Smuts on the last

* See p. 200.

LORD ROBERT CECIL.—*cont.*

occasion. This is the paragraph: "The objects of control are:—(a) To secure for the British Empire and the belligerent Allies a sufficiency of essential raw materials in order to enable them to repair the effects of the war as soon as possible, and to safeguard their industrial requirements. (b) To exert pressure on enemy Powers, so as to induce them to conclude an early peace for fear of economic ruin after the war. (c) As a result of such pressure to strengthen our hands, and those of our Allies, in conducting the negotiations at the Peace Conference."

Mr. LLOYD: Yes. That puts the case clearly, and I think it should be set out in the Resolutions.

LORD ROBERT CECIL: I agree. I do not know whether I might make a suggestion, but I would like to see the Conference agree on those principles, and delegate to a sub-committee the duty of drawing up the necessary Resolutions to carry out those principles. That is what I venture to suggest might be done. I do not know whether the Conference will allow me to say a word from the point of view of our relations with our Allies. Some 18 months ago or more the French Government approached us very urgently with the view of our doing something to assist them after the war; it was part of the Paris Conference Resolution policy, and so on. And we felt that it was very desirable—indeed almost an obligation of honour—that we should do something for such a country as Belgium, for instance, that we should exert ourselves to help her, and also that we could do nothing without the assent of the United States, as was very well said in the Conference here the other day. And in order to achieve those objects we thought that the first step was to get the Empire, as a whole, to agree on a policy, so that we should be able to go to all foreign countries, not merely speaking for this country, but speaking for the Empire as a whole. That, we thought, would be desirable, both for the purpose of carrying out our obligations to our Allies and also—it is much better to be frank—in order also to obtain the best possible treatment in any commercial negotiations we had to carry out with the United States, for instance. If we speak as an Empire we have a far better chance of bargaining successfully than if we speak each of ourselves, and it would create a far better feeling. That was our feeling, and that was the main object of this proposal. And it is also, of course, very necessary that we should safeguard and restore our own position. But I agree very much with what was said, I think, by Mr. Hughes, on the last occasion, that if we have merely to consider our own reconstruction there is a good deal to be said for the view that we could do quite well without anybody's assistance at all. I do not think that is quite true—we should want some assistance from America at any rate—but still, there is much to be said for that view. Speaking for the Foreign Office, I felt very strongly that if we were to do our duty to our Allies, to make use to the full of our great economic superiority over our enemies, both for the purpose of bringing pressure on them to conclude the war now, and for the purpose of obtaining satisfactory peace terms at the Peace Conference, it was really essential that we should get the Empire as a whole to combine in a common policy for that purpose. And that is the reason why I have ventured to read these paragraphs from the Report, because I think they bring out more clearly the meaning than do those Resolutions which are before the Conference.

Mr. BURTON: Why were these words "and the belligerent Allies" left out in the Resolutions? The wording in your first Resolution follows this a good deal, but it deliberately omits any reference to Allies.

CHAIRMAN: I think the reasons which guided us were that it was desirable, as a first step, to secure the joint action, the co-operation, of the Empire, and that then, having secured that, the next step would be the one connected with the Allies, referred to in the paragraph which Lord Robert Cecil has quoted.

Mr. LLOYD: I think we could facilitate consent by settlement, because the United States is after all a very material factor.

CHAIRMAN: We have no objection. It would mean incorporating in these Resolutions the language of our Report, as Mr. Cook pointed out.

Mr. COOK: We are not now dealing, as a Conference, with our relations to our Allies, but with our relations to each other, which after all are the first to be faced. And then, of course, our attitude to our Allies could follow.

Mr. LLOYD: You cannot overlook the fact that the United States and Canada are in close proximity whereas New Zealand is very far away.

CHAIRMAN: Supposing we take paragraph 2 of the First Report which Lord Robert Cecil quoted just now, which sets out the object of control. Supposing we pass that, we could then leave it to a Sub-Committee, if the Conference so decide, to put the Resolutions into the proper language.

Mr. COOK: One could almost take this over bodily into the Resolutions.

Sir ARTHUR STEEL-MAITLAND: It would be quite simple, would it not, to take those principles as laid down, and re-draft the Resolutions in such a form as to be unobjectionable.

Mr. CALDER: I think it would help the Conference to come to a decision as to what is desirable.

CHAIRMAN: It is suggested that we might pass a Resolution to this effect:—"That the Conference agrees that it is desirable" and then quote paragraph 2 (a), (b) and (c) on the First Report on Raw Materials, "and delegates to a Committee of its members the task of drafting a Resolution to determine the method of carrying out these proposals."

Mr. MASSEY: That would do.

Mr. COOK: Yes. May I ask, Mr. Long, how far No. 3 takes you? I mean the phrase, "Power to make arrangements." Does that suggest that these delegates shall be given plenary powers definitely to sign and settle anything?

CHAIRMAN: Oh, no.

Mr. COOK: "Power to make arrangements" suggests that we are to give them plenary powers to conclude these arrangements.

CHAIRMAN: Everything will have to be referred to each Government for ratification.

Mr. BURTON: What is No. 3 intended to deal with—the list of articles individually?

Mr. COOK: Yes.

Mr. BURTON: Well, then, a delegate from each Government has to discuss the arrangements for securing control over each one of these articles. I would like to know exactly what the thing means.

CHAIRMAN: Would not the best plan be to agree on the Resolution I have just quoted—the one which quotes paragraph 2 of the First Report—and then refer the original Resolutions bodily to a Committee, and ask the Committee to give effect to paragraph 2 in, if necessary, a new set of Resolutions. It is not in the least necessary to take these—we can withdraw these if that course better meets the views of the Conference.

Mr. MEIGHEN: I do not see very much object in formally affirming now in advance what is to be the final resolution on the same subject. We know now that paragraph 2 of the First Report does, broadly speaking, represent our views of the objects to be sought, and knowing that, let us appoint a Committee to consider what resolutions we can pass as to control of raw materials, and be done with it.

CHAIRMAN: If the view of the Conference is that there is general agreement as to what we want to do, we can simply appoint a Sub-Committee and refer the preparation of the necessary resolutions to that Committee.

Mr. LLOYD: That is the simpler way.

CHAIRMAN: Is that the pleasure of the Conference?

[Agreed.]

CHAIRMAN: Who will be good enough to serve on the Committee? We had better have one representative from each Dominion and from India.

Mr. MASSEY: I suggest Sir Joseph Ward for New Zealand. I am afraid I have not the time. I have too much to do at present. I suppose Mr. Cook would represent Australia.

Mr. COOK: No, Mr. Hughes.

CHAIRMAN: Will Mr. Hughes do it?

Mr. COOK: I hope he will. I think he will.

CHAIRMAN: We had better leave the representation of Australia for you and Mr. Hughes to settle. Mr. Calder, I suppose, will represent Canada, and Mr. Lloyd Newfoundland. Who will go on for New Zealand. Will you, Sir Joseph?

Sir JOSEPH WARD: I would rather not, Sir.

Sir ARTHUR STEEL-MAITLAND: Could not the different Dominions settle as to who shall represent them?

CHAIRMAN: I think we had better get the names now, if we can. Mr. Burton, will you go on for South Africa?

Mr. BURTON: Oh, yes.

Mr. MONTAGU: Sir Satyendra Sinha will go on for India.

CHAIRMAN: That only leaves New Zealand. We must leave you, Mr. Massey, to make your own decision.

Mr. MASSEY: Yes.

CHAIRMAN: Is it the pleasure of the Conference that this question be referred to the Sub-Committee so appointed? We have got a Sub-Committee to our Committee already—Lord Robert Cecil, Mr. Hewins, and Sir Albert Stanley.

[Agreed.]

CHAIRMAN: Now the next business is the question of Imports and Exports.

Imports and Exports (Temporary Control) Bill.

Sir ALBERT STANLEY: Mr. Chairman, this Resolution on imports and exports raises the whole question of control, and I contemplated here going more into detail not merely on the question of control, but showing generally how the control of Imports and Exports is administered in this country, and our reasons for thinking that a measure of this kind is absolutely essential. But if the question of control is to be referred to a Sub-Committee of the Conference, it hardly seems necessary to cover the whole of the ground now in full conference, when this Sub-Committee will deal with it. It seems to me this might be left over, at least until this Sub-Committee makes its Report.

Mr. BURTON: Do you regard the Bill to control imports and exports for a period after the war as an essential feature of this control?

Sir ALBERT STANLEY: Absolutely essential.

CHAIRMAN: You have got a Resolution here—"That this Conference has considered the provisions of the Imports and Exports (Temporary Control) Bill now before the Imperial Parliament, and is of opinion that it is advisable that the Governments of the Empire should take early steps to secure the necessary powers (where such powers do not already exist) to exercise control for a limited period after the war over the importation and exportation of all or any classes of goods."

Sir ALBERT STANLEY: But it would be difficult to deal with that Resolution until the Sub-Committee has reported.

Mr. BURTON: If you are to give us an explanation, ought not this question of imports and exports to be considered by this Sub-Committee? We cannot deal with one thing without the other.

Mr. COOK: We might refer this to the same Committee. It is part of the same thing.

CHAIRMAN: That is an excellent suggestion. Is it the pleasure of the Conference that the Imports and Exports Bill and the Resolution thereon be referred to the Sub-Committee already appointed?

[Agreed.]

Non-Ferrous Metal Industry.

(See pp. 47-60 of [Cd. 9177].)

The part in [] relating to Imperial Meat Supplies was omitted from p. 58 of [Cd. 9177].

Mr. BURTON: I should just like, before we finish, to ask Sir Albert Stanley a few questions.

[CHAIRMAN: May I interrupt for one moment. I suppose we shall not be able to embark upon the Meat Resolution to-day? If we agree to make that our first business at our next meeting, then those who are in attendance to-day in connection with that Resolution might be released.]

Mr. MASSEY: Is there a Resolution on meat?

CHAIRMAN: Yes. It is one calling attention to the Report of the Committee, and recommending it as a basis for examination, &c. I think we will adjourn the meat question, and take it first in order at our next meeting, on Wednesday. In that case, anybody who is here in connection with that need not be detained now.

Mr. MASSEY: Would it be possible for a representative of the meat trade to come before the Conference and answer any questions which members of the Conference might wish to put?

CHAIRMAN: There are several branches of the meat trade, are there not?

Mr. MASSEY: Yes. I am speaking more particularly of the oversea meat trade, not of the question of meat as it is raised in Great Britain.

CHAIRMAN: Perhaps you will let me consider that.

Mr. MASSEY: Yes, and you could let me know. I was not able to answer the question myself, but I told the person who asked me that I would try and find out.

CHAIRMAN: I will consider the question. Now, Mr. Burton.

Mr. BURTON: I would like to ask Sir Albert Stanley one or two questions on this matter. I understand that there is legislation in existence now, not merely in the United Kingdom but also in Australia, and I think, in Newfoundland, &c., &c.

FIFTH DAY.

Wednesday, 26th June 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 61, 62 of [Cd. 9177].

Order of Business.

CHAIRMAN: Before we begin the Agenda for the day I want to ask the Conference whether they are willing to consider if it is possible to take any steps to expedite our work. Several members of the Conference are very anxious to get away, and have spoken to me about it, and it seemed to me that there were two proposals which I might venture to make for consideration. The first is whether we could take some of the Resolutions—group them and take them in brief discussions. The second proposal is whether the Conference would like to refer all the Resolutions to the Committee that we have already appointed to deal with raw materials, in order that we should go through them and group them into two classes—first, a class to be treated, as I have suggested, rather formally; and, secondly, the class to be treated with rather more consideration, and then at once classify them in their order of importance, so that we might clear the paper of Resolutions which might be taken without much discussion, and then arrange in order those that require fuller examination. The Resolutions which His Majesty's Government submit to the Conference are mainly the result of the work of last year. We were requested to give effect to the Resolutions passed last year. We have done that in almost every case, and these Resolutions are the result. And if it were possible to take any of them without much discussion, then we should get on more rapidly with our work. A good many of the members, as I understand, want to get away, and some who do not want to get away wish to be relieved of their work here because they have other work which is of vital importance and more pressing. I therefore venture to make those suggestions.

Mr. HUGHES: What Resolutions do you particularly allude to, Mr. Long?

CHAIRMAN: Well, there are a whole group of them—a whole series. We are snowed under with Resolutions, and they really want examining. I thought if the Conference agreed to refer them to the Committee, I would have a list made of them, and possibly the Committee could meet to-morrow and go through them, and then make recommendations to the Conference.

Mr. MASSEY: Are there not Resolutions which it is possible to group, taking three or four at one time and having discussion on the lot, instead of each one separately? In that way we might save time. As far as I am personally concerned, I do not object to this matter going to the Committee, but I should like to point out that this is really going to increase considerably the work of the Committee. I find it impossible in the present state of things to attend the meetings of the Committee. I am not going back upon anything which the Committee has done—I am quite prepared to accept what they have done, and I believe, from what I have heard, that they have done very good work, and especially at the meeting yesterday.

Sir ROBERT BORDEN: I should think expedition would be accomplished by reference to a Committee. Possibly more than one Committee might be constituted. We meet here two hours a day, but the working time could be very much increased if, so far as the members' engagements permit, the work could be done outside these meetings, and, after a question had been thrashed out pretty carefully in Committee, I should think it would be possible to deal with it here with much less discussion.

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ORDER OF BUSINESS.

[5th Day.]

Mr. HUGHES: I think the theory is good, but in practice it amounts to this, as Mr. Massey has said. You refer a number of matters to this Committee. On this Committee there ought to be sitting persons who are fairly representative of the Dominions. Well, some of these matters affect some Dominions more than others. I do not know what we are going to deal with to-day, but supposing we are going to deal with meat. Taking the Resolution dealing with meat, the draft Resolution which is set out on the Agenda paper, no useful purpose would be served by referring that as it stands to a Committee, because in its present form I can hardly conceive that anyone would take offence at it, nor would it suggest the need of an amendment. But possibly when we had a discussion on the question, then, members' views having been expressed, the reference to a Committee might be of value, and I would suggest, sir, as a working compromise on what you have suggested, that we should have a general discussion on the major questions. After all, although we might have a policy on raw materials other than meat, that policy would not necessarily be suitable for meat. But when we have discussed what our policy is to be on meat, for example, and on raw materials other than meat, then a reference to a Committee might be, and would be, a very convenient way of expressing or formulating our opinion as far as we could agree upon it.

Mr. BURTON: Your suggestion, Mr. Long, is really, I understand, that the Sub-Committee should try and group these matters for discussion, so that we can deal with them—not necessarily to go into all of them as a Committee and discuss them in detail, but to bring about here a better grouping of the subjects. In that way I think a Committee would do good work.

CHAIRMAN: That is my proposal.

Mr. BURTON: That seems to me to be a good plan.

CHAIRMAN: Is it the pleasure of the Conference that we should ask the Committee to look into these Resolutions, and then if they can make any proposals, to make them?

Mr. HUGHES: What do you propose to deal with this morning, sir?

CHAIRMAN: We have got the non-ferrous metals question which was held over for Mr. Burton to have conference with General Smuts, and then we take meat and wool supplies—meat first. If that is your pleasure, we will take steps accordingly.

General SMUTS: What is the position of the Resolutions on Raw Materials, Mr. Long? Cannot we discuss them?

CHAIRMAN: I understand the Committee have a meeting to-day to approve of them finally in their amended form?

Mr. BURTON: I have had a look at the different Resolutions as the Committee amended them, and as far as they are concerned, I do not think the Sub-Committee need meet again. I think the Conference could take them now and discuss them round the table.

Sir ROBERT BORDEN: I thought the Resolutions which I saw this morning were approved by the Sub-Committee.

Mr. BURTON: Yes, they were approved by the Sub-Committee, and they were to be typed out, and we were to meet again this afternoon to consider them further in type. But I see no further necessity for the Sub-Committee considering them, and I think we might deal with them now.

CHAIRMAN: I will send for them.

Sir ROBERT BORDEN: Have you seen them, Mr. Hughes, as drafted by the Committee?

Mr. HUGHES: In reference to raw materials?

Sir ROBERT BORDEN: Yes, and imports and exports.

Mr. HUGHES: No, I have not. I have here the Resolution on the control of raw materials; are you speaking of that?

Mr. COOK: Yes.

Mr. HUGHES: I have that, but that has not to do with imports and exports.

5th Day.]

ORDER OF BUSINESS.

[26 June 1918.]

Sir JOSEPH WARD: Are this Sub-Committee's reports, when they come back, to be open to general discussion in the Conference?

CHAIRMAN: Yes, certainly.

Mr. LLOYD: I was not present at the meeting, but I have read the Resolutions this morning, and I am perfectly satisfied without another Committee meeting.

Non-Ferrous Metal Industry.

(See pp. 62, 63 of [Cd. 9177].)

The part in [] was omitted from p. 62 of [Cd. 9177].)

[CHAIRMAN: Can we take non-ferrous metals and then come back to this?

Mr. BURTON: That was postponed.]

CHAIRMAN: The non-ferrous metal question was held over, &c., &c., &c.

Control of Raw Materials.

CHAIRMAN: Then the next subject is meat supplies, in regard to which there is a Resolution.

Mr. HUGHES: Wait a moment, sir. Are we not going to touch this question of the control of raw materials?

CHAIRMAN: If you are ready.

Mr. HUGHES: I am not suggesting the subject at all: I am only asking for information.

CHAIRMAN: You had not seen the Resolution as redrafted, Mr. Hughes. If you are ready to take it now, by all means let us do so.

Mr. HUGHES: No. I only wanted to know. I am quite willing to deal with meat.

The Resolution as redrafted was as follows:—

"I. The Conference agrees that it is desirable to secure for the British Empire and the belligerent Allies the command of certain essential raw materials—

"(a) In order to enable them to repair the effects of the War as soon as possible and to safeguard their industrial requirements.

"(b) To promote the conclusion of an early peace and to strengthen our hands and those of our Allies in conducting negotiations at the Peace Conference.

"II. The Conference is of opinion that the Governments of the British Empire should make such arrangements amongst themselves as will ensure that essential raw materials produced within the Empire shall be available for the above purposes, and should arrange with the Allied Countries to utilise for the same purposes essential raw materials produced in those countries.

"III. Amongst the raw materials which should be considered for the purpose of this policy, the Conference recommends the following:—

"Asbestos	Lead and its ores
Cotton	Manganese ores
Jute	Nickel, refined and matte
Wool	Spelter and zinc concentrates
Hides and skins	Tin and its ores
Leather	Tungsten ores
Rubber	Mica
Oleaginous products	Molybdenum
Copper	Steam Coal"

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CONTROL OF RAW MATERIALS.

[5th Day.

Mr. MASSEY: Would it not be well to get these Resolutions out of the way if we are all prepared to deal with them? I have been looking at them. I am not quite clear about sub-clause (b)—I do not quite understand the object of it. It reads here: "It is desirable to secure for the British Empire and the belligerent Allies the command of certain essential raw materials." To promote what? "(b) To promote the conclusion of an early peace and strengthen our hands and those of our Allies in conducting negotiations at the Peace Conference." I do not quite understand that. I do not quite see the object of arriving at an understanding if what we are doing to-day, or have been doing, is intended to be used as a point in the Peace Congress.

Mr. COOK: It is liable to be misunderstood.

Mr. HUGHES: I think if we once start on this, then we shall never see any meat to-day. On this sub-clause (b) I agree entirely with my friend Mr. Massey. I do not know what it is doing in this galley at all. It is quite out of place. It is a plain statement of what is, of course, obviously true, that we are using this for a weapon. But it is here held *in terrorem* rather than to be exercised. It is to be used as a declaration that we want an early peace, and it is thought that this will strengthen our hands. Our military power, then, has become a poor and useless means of enforcing our national will, and we are to resort to this in the hope, pious and delightful, of these negotiations which are coming at the Peace Conference. I submit that what we are dealing with here—our "muttons" in this business—is what are the things necessary for the economic stability, or greatness, or development of Great Britain and the Empire after the War. It does not matter if there is an early peace or a late peace. It does not matter whether Germany wins or loses—we have got to get these things or else we have got to perish. That is perfectly clear, and I think, therefore, the less we say about it the better. We may have it, if you like, at the back of our minds, but why do you want to say it?

Sir JOSEPH WARD: If we are going to discuss this, I want to say a word or two.

Mr. HUGHES: Of course we all want an early peace. Everybody wants it.

CHAIRMAN: That was the reason why I thought we had better not take the Resolutions at once, because I had great doubts myself about (b). I only saw this late last night, and I referred it back to the Chairman of the Sub-Committee with a question as to (b). I myself largely share the views of the Prime Minister of Australia. This appears to be an indication of using these powers for bargaining, and not for an assertion of our rights, and a clear statement of our needs, and I thought it required further consideration. But I am entirely in the hands of the Conference.

Mr. MASSEY: I think the first thing to decide is whether we are going on with this, and then we shall know exactly where we are.

Mr. COOK: Let us get on to the meat question.

Mr. MASSEY: May I suggest, as I have taken the opportunity of expressing an opinion very briefly, and it has been followed up by the Prime Minister of Australia, that we should get this matter settled? It is not fair to other members of the Conference to allow two Prime Ministers to say what they want to say, and then to shut the others out.

Sir JOSEPH WARD: I do not take the position that members of the Conference are to be shut out, and I do not think Mr. Massey means that. But I have come about 14,000 miles to attend this Conference, and I propose, in a respectful way, complying with the rules of the Conference, to put my views on record on every matter which I think to be of importance and interest to the members of the British Empire, and to the people I represent in my own country. There have been two discussions here already, sir, and some gentlemen have spoken twice or three times. I have wanted to speak, but unless one presses oneself and keeps people here over lunch time it is evidently impossible to do so. I have travelled over 14,000 miles as a representative of my country, and I find myself in the position that, owing to others speaking on the same subject more than once, I have then, for want of time,

Sir JOSEPH WARD—*cont.*

to keep my mouth shut, and take no part in connection with important matters which I have got to defend or support in my own country. Now, I think there ought to be some consideration shown to every member of this Conference. Surely each of us should have an opportunity of speaking once before any member speaks twice or three times. I am not referring to anybody in particular, but if that is to be allowed to go on there will be no satisfactory decision, and there will certainly be no proper discussion on these great matters which are before us now, and which all of us take an interest in. With regard to the matter now before us, I want to put on record the strongest protest I can about that recommendation in sub-clause (b). That the Imperial Conference should suggest bargaining about raw materials with the enemy in peace negotiations for the purpose of obtaining some decision or other, looks to me an outrage. It is, to my mind, indefensible to suggest that these very articles that have been so vital and so important to our enemies since the starting of this war should be brought down in this clause as a recommendation for the purpose of bargaining at the end of the war when we are negotiating for peace terms. I agree with every word that Mr. Hughes has said. The whole thing would be absolutely indefensible.

On the general question here, I want to say that in war time it is perfectly easy for the whole of the Oversea Dominions, in association with the Motherland, to do all that is required with these raw materials. But in peace time it is not going to be by any means so easy. You are going to be confronted, after the war is over, with the competition of the United States, and of Japan, and quite right too in my opinion. It is clearly our duty to come to a definite and an inflexible resolution upon these matters, and it is the duty of the oversea countries to put it into operation by statute if they are going to aid the Mother country so as to prevent these huge organisations coming in here and diverting raw materials from England to the advantage of our enemy. In my opinion, we are going to be handicapped through the whole proceedings of this and any other Conference, from beginning to end, until we know what the policy of the British Government is going to be upon the all-important policy of dealing with the trade of the British Empire, and until we know positively and definitely what the system of preference is which is to be established, and what treaties are to be entered into with the United States of America and, if need be, with Japan also. We are going to pass a number of Resolutions expressive of good intentions, and at the end of the war these greater issues in connection with the Motherland and the oversea countries all have to come up for consideration; and after all, until we know what the actual policy of the British Government is going to be, which is the kernel of the whole business from top to bottom and beginning to end—until we know what the fiscal policy of this country is going to be regarding the pre-war system of dumping from Germany into England, none of us is in a position to deal intelligently with the situation. We affirm things at one meeting of the Conference and we get important papers upon them, practically suggesting something else, at the succeeding Conference. I want to say, as far as I am concerned, that I cordially support the proposal as to the omission of sub-clause (b) altogether.

Mr. COOK: I think it would be most mischievous to let sub-clause (b) go out just now, or any other expression or consideration whatever which would lead our enemies to suppose that we were after peace. Nothing could be more mischievous than to send a thing like that out.

Mr. HUGHES: That sub-clause is bad.

Mr. COOK: The whole thing means nothing.

Mr. HUGHES: I should say that (a) is sufficient, because, it does not matter whether we have peace early or late—if we gave up these things, then it would be for us the end; we must have raw materials or die, and if you mean to say we are to purchase peace by giving our life over to Germany, then we had better go and die on the field of battle and be done with it.

Mr. MASSEY: If I am in order, sir, I should like to move that sub-clause (b) be struck out.

CHAIRMAN: Very well, it is proposed that sub-clause (b) be struck out. It is a question, however, whether that ought to be done in the absence of any repre-

CHAIRMAN—*continued.*

sentative of the Foreign Office. The Foreign Office were concerned in this, and it is a question whether we ought not to send for Lord Robert Cecil to come in before we decide definitely.

General SMUTS: I wish to submit, sir, for your ruling, whether (b) is appropriate to our purposes here. It seems to me that (b) is rather a question for the Imperial War Cabinet to consider. The question of what weapon we are going to use in making peace is not a question really germane to our business in this Conference, and therefore I think (b) might very well be deleted from our Resolutions here, and be dealt with, if considered advisable, by the Imperial War Cabinet.

CHAIRMAN: I quite share that view.

Mr. HUGHES: I think that this should be omitted.

CHAIRMAN: It is proposed by the Prime Minister of New Zealand and seconded by the Prime Minister of Australia that sub-clause (b) be deleted. Is it the pleasure of the Conference that (b) be struck out?

[This was agreed to.]

CHAIRMAN: Now is the Conference prepared to adopt the Resolution with the exclusion of (b)?

Mr. HUGHES: In part (3) of the Resolution I question very much whether it is a desirable thing to enumerate the list of articles. These are words, as the lawyers say, of limitation, and they will be so regarded. Take the last item in the first column—oleaginous products. One of the essentials of modern industry is petrol. Petrol is not an oleaginous product at all. It might be fairly excluded from that designation. Tallow is, and of course olive oil and coconut oil. But surely oil ought to be there, and you might add, if you like, oleaginous products. Oil should stand by itself.

CHAIRMAN: Petroleum.

Mr. HUGHES: Yes, petroleum.

CHAIRMAN: Before we consider the addition of the word petroleum, I think the Conference ought to decide upon the major question raised by the Prime Minister of Australia—whether you should have a list at all. The danger of a list, as he points out, is that it may be taken to be complete and comprehensive, to the exclusion of everything else.

Mr. COOK: Hardly that. This list will not do any harm.

Mr. MASSEY: It says "amongst the raw materials."

CHAIRMAN: It says "amongst." Then I take it the Conference decides to have a list.

Mr. HUGHES: With America we are quite independent of the oil wells of Roumania, even if Germany continues to hold Roumania. And as this relates to the British Empire and the Allies, it is quite right to put petroleum there, from any point of view.

CHAIRMAN: Then is it your wish that petroleum be added to the list?

[Agreed.]

Sir JOSEPH WARD: May I point out to the Conference that there is nothing in the proposals here to prevent sales of the raw material products after they come to England to the enemy? I think a definite restriction ought to go in. There is a proposal here that it is to secure for the British Empire and the belligerent Allies the control of certain essential raw materials, but there is nothing whatever in this recommendation to prevent the sale of these to the enemy. That ought not to be.

Mr. LLOYD: It says "command." Surely that means control.

Sir JOSEPH WARD: What is to stop their being sold to the enemy?

General SMUTS: If you command it, and you have satisfied your own requirements, and have a surplus, you are not going to throw it into the sea. I suppose you will sell it to the best advantage you can.

Sir JOSEPH WARD: To the enemy?

General SMUTS: I think the word "command" or "control" in Part I. of the Resolution is sufficient for our purpose.

Sir JOSEPH WARD: But, Mr. Long, is not the whole object of what we are proposing to do here to prevent the enemy getting into a position in future of building up a situation not only inimical, but dangerous, to our future, and if you allow the assumption to go forth here that this control and command means, as General Smuts apparently thinks it does, that you can sell to the enemy when peace comes, what is the good of our trying to centralise everything connected with our raw materials in the British Empire?

Mr. HUGHES: I think the point is this. The Paris Conference resolutions, in effect, stated that in a more definite way than that you now lay down; but, after all, here we are in a rather different position. Our functions are different. Our powers are different. The purposes for which we meet are different. I think if we get, as General Smuts says, enough for ourselves, really the thing settles itself, because there is not enough for ourselves and for them. That is what it amounts to—there is not enough for ourselves and for them. That is the whole matter.

Sir JOSEPH WARD: If they offer a higher price than our people are prepared to give, and there will, as a result, not be enough for us, what then?

Mr. HUGHES: I understand that what we mean by this first part of the Resolution is that we shall make such arrangements, price or no price. Of course, I am assuming we shall do this thing on a commercial basis. It must rest on a commercial as well as on an Imperial basis, and it must rest on a commercial basis between the Allies. Take a case in point. If Germany offers, say, 150*l.* for copper, and the Empire offers 110*l.* for copper—well, nobody can go on producing copper. Nothing will hold that. The pressure is too severe, and you have simply got to make such arrangements as will be satisfactory to the producer.

Sir JOSEPH WARD: So to get ready for a war ten years after peace is arranged between the belligerent countries now, if the German Government come along and offer 40*l.* a ton more for copper, they are to command the supplies for ten years, and so enable them to prepare to kill us afterwards.

Mr. COOK: "Command" means command surely.

Mr. HUGHES: The point is this—they would not get it under this Resolution. You could not permanently maintain an arrangement of this sort unless you had regard to the cost of production and the operations of the market. But, unfortunately, the Empire would be pledged by this Resolution, so far as it is binding, to sell to itself, within itself, and to its Allies, and not to its enemies. That is what it is pledged to. Of course, if the enemy comes along and offers 900*l.* a ton for tungsten, and Britain offers 500*l.* for tungsten—well, that will create a lot of trouble. But unfortunately the thing is binding.

Mr. LLOYD: We still retain the command.

Dr. ADDISON: It is a question of arrangement with tungsten producers, so far as tungsten is concerned.

Mr. MASSEY: I should like to ask the President of the Board of Trade whether tungsten ores includes scheelite.

Mr. HEWINS: That is so.

Dr. ADDISON: It includes tungsten and its alloys.

Mr. MASSEY: It really includes molybdenite.

Mr. HUGHES: To follow the matter out, the other side of the raw material is the manufactured article, and although the Resolution does not say so, the object is that the manufactured article shall find a market within the Empire, and shall have preference within the Empire and amongst the Allies. It follows, of course, that if the other people can put out a manufactured article at a lower rate to compete with the British article, there is going to be trouble.

CHAIRMAN: As the Resolution reads now, does it not meet the difficulty raised by Sir Joseph Ward? You see (a) disappears; when (b) has gone (a) disappears. You do not want (a) at all. The Resolution now reads: "The Conference

CHAIRMAN—*cont.*

"agrees that it is desirable to secure for the British Empire and the belligerent Allies "a sufficiency of essential raw materials in order to enable them to repair the effects "of the war as soon as possible, and to safeguard their industrial requirements." Do not those last two lines clearly indicate sale to and purchase by—

Mr. HUGHES: The first line might be strengthened by striking out the word "desirable" and putting in the word "necessary." It really is a fact that it is not merely desirable, but absolutely necessary. "The Conference agrees that it is "necessary to secure the command of certain essential raw materials." It is necessary—absolutely necessary—and if you put in "necessary" there, nobody can misunderstand what we mean.

Sir JOSEPH WARD: I look upon the point as very important, because even with the word "necessary" you do not meet the position, in my opinion. We suggest we are going to protect the British Empire and friendly Allies under what we are doing, but we are leaving the door open immediately when this is in operation, and the raw material reaches England, to anyone offering a higher price to get what they want: if Germany offered a higher price for any of these articles—say copper, tungsten, molybdenite—unless you came up to, or overbid, them, you would at once be in a dangerous position.

Mr. HUGHES: Well, of course, Sir Joseph, we shall carry on business after the war to a large extent, as before, on a commercial basis. In the end no competitor can afford to give much more for raw materials than the man he is competing with—not very much more. Take wool as a case in point. Germany will be in very sad straits for wool after this war. She can only buy wool in big quantities from the Argentine and from the Empire. She will not get it from the Empire, and there is not enough in the Argentine. She will sink therefore—all her wool industries will be paralysed. She will come on our markets. Britain offers a flat rate of 1*s.* 3½*d.*, and Germany will say "I will give you 20*d.* or 30*d.*" She can afford to give anything. But I do not think it will have the slightest effect on our wool people—not the slightest. You must give a proper price, and pay well for producing the article; and beyond that you have to consider national welfare.

Sir JOSEPH WARD: But there is one reservation in connection with the statement Mr. Hughes makes regarding wool. How are you to stop a representative of a German house—not a German—going to Melbourne, Sydney, Wellington, or any other part of our Dominions, and going into an auction room and outbidding anyone on behalf of Germany?

Mr. HUGHES: I said the other day there is only one way in which you can get raw material, and it is by direct purchase. Britain says, "We want so much wool." She must not leave it to the higgling of the market, to Smith, Brown, and Jones—she must buy the wool.

Mr. MASSEY: That, of course, is what is being done now.

Mr. HUGHES: That is what is being done now, and you will have to go on in that way. If Britain wants 500,000 tons of lead, she must buy 500,000 tons of lead straight out.

Sir ALBERT STANLEY: I only want to point out that purchase alone, in my opinion, does not completely meet the situation, because it does still leave it open to producers—owners—to sell to the enemy. If you are trying to prevent goods reaching the enemy after the war, you must couple with direct purchase, which I agree is desirable for securing the control—you must associate with that some legislative action which will prevent the products of any country from leaving that country except as it may be directed. The two, I think, hang together.

Mr. HUGHES: I agree. We have a very effective weapon there—destination.

Sir ALBERT STANLEY: The two together—direct purchase and destination.

Mr. HUGHES: Still, the matter must be one of direct purchase. We used to sell wool, and, of course, the buyers of the world came in, and an agent might be a Britisher, but he might be buying for a German, or an American, or a Frenchman—and, as Sir Joseph Ward has pointed out, that might happen again, and we cannot

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allow it to happen. There is only one way: you must sell the wool straight out, direct to the Government, until the period of reconstruction is over and we get on our feet again.

Sir ALBERT STANLEY: Might I explain the steps we have taken to deal with Egyptian cotton, which is perhaps on all fours with some of these other raw materials we are now discussing. The arrangement we have made there is that the two Governments, the British Government and the Egyptian Government, associate themselves together in the purchase of the entire crop. But it is not compulsory upon the grower, the fellahen, to sell his cotton at a price that has been fixed in advance. He need not sell it, but if he does not sell it, he cannot export his cotton except by licence. There is a prohibition. So that you secure the result in another way. Without that it would be impossible to make any arrangement with the fellahen whereby you would secure his cotton at the price arranged.

Mr. HUGHES: I am sure the fellahen appreciates the economic liberty he enjoys.

Sir JOSEPH WARD: Sir Albert Stanley, would you tell me what the position would be with regard to cotton in a case of this kind? Supposing the United States of America were not producers of cotton, and they wanted cotton, from Egypt, would you put a bar up against America? Could you do it?

Sir ALBERT STANLEY: We agree a system of rationing between ourselves and Allies, so that each gets a fair share.

Sir JOSEPH WARD: I mean after the war, unless you safeguard the sale of these things to the enemy, you are going to get into this position with regard to wool. Who is going to stop the people of the United States of America, who will be big wool purchasers, and who will be certain to trade with the enemy at some time after the war is over—who is going to stop America coming in, even though you make a declaration in your country that this wool is going to be sold to the British Government during the period of reconstruction or for some time afterwards? No power on earth is going to stop the United States of America from trading with the Oversea Dominions, unless you make them an enemy, which, of course, is too ludicrous to contemplate. And if the enemy cannot get it through Britain, they will get it through their representatives in the United States of America; their people will buy wool in Melbourne and Sydney, and all over the place, and you cannot stop them unless you say to America, "We will not allow you to trade with us."

Mr. HUGHES: We do these things now.

Sir JOSEPH WARD: Yes, in war time.

Mr. HUGHES: We are stopping the export of wool to A or B country. We have to have regard to the fact that conditions have changed fundamentally, and you must have wide powers vested in the Ministry, who will say that certain things can only be exported under licence. That would be one way. But, of course, there is a tortuous channel through which they could get to Germany through Scandinavia or Holland. They would have to be watched closely, and arrangements made for the British Government and ourselves to see whether, and to what extent, if at all, we are to sell to Scandinavia or Holland.

Mr. MONTAGU: Is there not this difficulty about the Resolution? Mr. Hughes, in a sentence he used some time ago, said that the Resolution meant that you were to command the raw material in order to sell to the Allies and the Empire, and not to the enemy. He used the words, "not to the enemy." As Sir Joseph Ward very well, I think, points out, there is nothing in the Resolution which carries out Mr. Hughes's last phrase, "not to the enemy." That is not in. I want to ask the question—Is it the intention of the Conference that these goods shall not be sold to the enemy?

Mr. MASSEY: What is your own opinion, Mr. Montagu?

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Mr. MONTAGU: I say you will have the enemy scrambling and competing for these things. You will be using the resources of the Empire, and the prices which the enemy will be prepared to pay in their disastrous state will be enormous, and you will be using the resources of the Empire to build up Germany. I should like to see the clause put in. Then comes Sir Joseph Ward's difficulty, which seems to me a very great difficulty. If you do that, then you must make an arrangement with your Allies to do the same thing. You notice that part 2 of the Resolution fits in with part 1. Part 2 says that the Allied countries are to be negotiated with for the same purpose, namely, to secure essential raw materials. And that seems to be eminently right, because we are not going to help belligerent Allies to get certain raw materials if they are not going to help us. If you want to prevent, as Sir Joseph Ward wants to prevent, and as you should prevent, the enemy getting these raw materials, you must insert something in part 2 that the Allied countries shall do the same thing, because, as Sir Joseph Ward says, if we do not sell to the enemy and yet sell to our Allies, there is nothing to prevent our Allies selling to them.

Mr. MASSEY: We cannot compel the Allies to agree to this, that, or any other line.

Mr. MONTAGU: You cannot compel them, but you can negotiate with them.

Mr. MASSEY: The thing is full of difficulties, but something requires to be done.

Mr. MONTAGU: I agree, and what seems to be the purpose of this Conference is so to arrange what the Empire as an entity is going to do, that you can then go as an Empire to your Allies and get them to do the same thing.

Sir JOSEPH WARD: It must be remembered that the Allies cannot get these things from any other place except the British Empire, and the condition of people in England getting them ought to be that they should not sell them to any of the present enemy countries.

Dr. ADDISON: In the first place, I agree with Mr. Hughes that you must have a system of purchase in some form; otherwise your command is never effective. Then, in the next place, you must have some agreement, first between yourselves, and then between the British Empire as a whole, as a unit, and the Allies or neutrals. You must have some system of rationing. That is to say, each community is represented by a certain proportion; that would be calculated on the basis of its ordinary peace or commercial requirements. There would be some basis for that figure, and it would be that basis probably. But if the total available supplies met all those requirements, it would then be considered what you were to do with the margin. There will be two ways in which that margin will be absorbed—either by an increase in the industry in any of the Allied or neutral countries which are getting material, or by selling to the enemy. There are only those two ways in which it could be disposed of, as it seems to me. The first step is that you get a system of purchase and then a rationing agreement, and if a State takes what is its normal peace requirement, the amount they will have to sell to somebody else will be negligible, because they will need it for their own industry. So that we need not bother ourselves about how much leaks out to the enemy. If there is a rationing basis on the basis of the ordinary requirements, people will keep most of it for themselves; they will want it. Therefore, I think that will automatically exclude enemy trading. Where there is a surplus of goods, I cannot imagine it being disposed of except in one of the two ways which I have mentioned.

Mr. LLOYD: Of course there are the neutrals outside the enemies.

Dr. ADDISON: I include the neutrals.

Mr. HUGHES: It does appear to me that it is a matter of arrangement, or negotiation, by treaty between ourselves (I am now regarding the British Empire as an entity, as Mr. Montagu says) and other foreign nations, whether Allies or neutrals, but in each part of the Empire the circumstances may be widely different. Australia has so many million tons of this or that, New Zealand has so many tons of the other, and Canada so many tons of something else. Very well; the thing has to be regarded in detail as well as in general. How is it to be done? The Dominions must sell their products, and you must find them a buyer. You, or we, may buy some things

Mr. HUGHES—*cont.*

from Canada; they may buy some things from us. Then there is left a residuum, and even though the Empire does not want it, it may be a very good thing to prevent Germany getting it.

Mr. LLOYD: The neutrals come in between.

Mr. HUGHES: The Empire as a whole must bear the loss, just as a man corners goods to prevent his competitor having them. There may be some things concerning which the Empire will have to do that, though I cannot think of them at the moment.

Sir ALBERT STANLEY: In any event they are not perishable goods, and even though there is a surplus they can always be stored away.

Mr. COOK: I should like to point out that there are many things down in this list which are not the exclusive property of the Empire at all. Wool, for instance. And Germany must get her wool.

Mr. HUGHES: Where will she get it from?

Mr. COOK: The Argentine and other places.

Mr. HUGHES: No, she could not.

Mr. COOK: Why could she not?

Mr. HUGHES: Because they do not produce the kind of wool from which can be made the kind of cloth that will enable Germany to compete with the markets of the world.

Mr. COOK: No, but for war purposes.

Mr. HUGHES: During the war—oh, yes, that is different; to make khaki.

Mr. COOK: So that we have not an exclusive monopoly of all the things named in the table.

Mr. HUGHES: It is the post-war problem that we are talking about.

Mr. MASSEY: The transition period, really.

Mr. HUGHES: After the war there is not the slightest doubt that, so far as merino wool is concerned, the Empire has what in effect is a monopoly.

Sir JOSEPH WARD: I move that these words be added to Part 2 of the Resolution—"and to prevent as far as possible these raw materials being available to enemy countries."

CHAIRMAN: After the word "countries"?

Sir JOSEPH WARD: Yes.

Dr. ADDISON: Do you mean during the reconstruction period, Sir Joseph?

Sir JOSEPH WARD: I think, after all, we are only dealing with the reconstruction period. After the reconstruction period there is no doubt that at some period there would be a further Conference here, and that Conference would deal with the new circumstances that might arise after the end of the reconstruction period. But in the meantime no one can tell how long the reconstruction period may last—it may be two years or it may be five years—and in the meantime we should guard against these materials being available to enemy countries.

CHAIRMAN: I do not know how far that is a question of policy. It seems to me it is a matter for the Cabinet rather than for this Conference.

Mr. HUGHES: Your amendment relates to part 2 of the Resolution, Sir Joseph?

Sir JOSEPH WARD: Yes.

Mr. HUGHES: It appears to me that in the latter portion of part 2 we have gone as far as we, in our capacity as delegates to the War Conference, can go. We are delegates of the British Empire. It must be the British Cabinet, or the War Cabinet, who will have to approach Allied countries. That is not the purpose for which we are meeting here at all. What we say is, I think, sufficient to indicate what we conceive ought to be the policy of the British Government in regard to Allied countries. But with regard to the Empire *inter se*, we are to declare what

Mr. HUGHES—*cont.*

that policy should be, and to endeavour to give effect to it as far as direction is concerned. There is a sensible distinction to be drawn between Allied countries and the Empire, and therefore I think we ought not to go any farther than we have gone here—arrangements with Allied countries to utilise raw materials produced in those countries.

Mr. BURTON: I quite agree with the view which Mr. Hughes has just expressed. I think we should be rather spoiling our Resolution as it stands, and getting into extraordinarily deep water indeed.

Mr. COOK: We shall break it down altogether if we are not careful.

Mr. BURTON: The thing bristles with difficulties. We found in discussing it yesterday afternoon how many difficulties there are, and if you are to put in an additional clause to say that nothing is to be allowed to get to our present enemies after the war, we shall not only be doing what it is not our business to do at all, but something which you may find it impossible to carry out. One difficulty strikes me at once about the matter—I pointed it out the other day and it has been referred to again to-day. These Resolutions are all in the direction of getting the Dominions who are producers of raw materials to act in such a way that these raw materials shall be available to the British Empire and its friends, and not to others. I have not heard any answer to the question which Mr. Hughes raised this morning, and which I raised the other day: What is to become of the manufactured article? We are to take every action to tell our people that for the sake of the Empire and our future you must see that your raw material is available for the Empire and its friends. When that raw material is manufactured here into clothes and other things, is the manufacturer to be tied down not to sell these things to our enemies, or is he not? Is he going to have a free market for his manufactured articles throughout the world, including our enemies, or not? What is the policy of the British Government about it?

Mr. HUGHES: I think the position is not analogous at all. Putting it fairly, the struggle between the two races is for economic domination or supremacy. Goods, of course, reach the consumer in manufactured form, or in some form other than that which we term raw material; and in order that a nation may achieve economic greatness it must get hold of raw materials. But that is not sufficient. It must sell those raw materials in a manufactured form, in the form in which they are ultimately ready for the consumer. The more people that nation can sell them to, the better. The more completely it can prevent other people getting raw materials, the better. So the two things are quite different. The ideal would be to prevent Germany getting any raw materials, and to sell to her, amongst other people, our manufactured goods. So I do not agree that there should be any prohibition upon manufactured articles, properly so-called—that is to say, manufactured articles which are not in themselves articles which form the raw materials of other industries. For instance, hides are the raw materials for a tanner, and leather is the raw material for a shoemaker or a harness-maker. I agree with Mr. Burton entirely that the British tanner must not sell his leather to Germany, but the shoemaker may sell his boots there if he can.

Mr. BURTON: What is the purview of the Government now with regard to this matter?

Sir ALBERT STANLEY: I think, Mr. Chairman, it would best expressed in this way. The question which is asked us now rather projects us forward to the time when we come to peace terms with the enemy. That seems to be the position. And what we are proposing to do here is, to suggest that two steps should be taken. One would be to secure the command of these essential raw materials, and the other would be to legislate, so that, whatever the policy may be when peace is agreed upon, whatever the economic policy between the British Empire and our present enemies may be at the time peace is arranged, we have a measure which can give effect to that policy. That brings us back again to the Imports and Exports (Temporary Control) Bill. If it is agreed when peace is arranged that Germany shall have a certain amount of raw materials, that can be done. You have the command of raw material,

Sir ALBERT STANLEY—*cont.*

and you command the amount she shall receive. And the same is equally true of manufactured goods, not only with regard to enemy countries, but in regard to other countries as well. In the case of manufactured goods, we think it is equally important—

Mr. HUGHES: You say, if it should be deemed expedient, Germany shall have a certain amount of raw materials. Who is to decide that?

Sir ALBERT STANLEY: That can only be decided by the respective Governments of the Empire when you deal with peace.

Mr. HUGHES: I want to make this quite clear; that it cannot be decided by you without our having a voice. It must be a decision of us all, because we are all bound. If you say that you want our wool, and that we must not trade, we must not sell to the enemy, but you may yourselves, that will not do. It must be a decision arrived at really on an Imperial basis, in which we all have a voice.

Mr. BURTON: What about the German manufactured article? Is that to have a free run on the markets?

Sir ALBERT STANLEY: There, again, the control we have under this Bill will deal with imports. Already we have taken steps to deal with one manufactured article from Germany. We have said now—it is the decision of the Government, and requires no legislation to give effect to it—that dyes shall not be imported into this country, except under licence, for ten years after the war. That is settled; there is no further legislation involved in that; that German dyes shall not be imported into this country.

Mr. LLOYD: That has not been settled by recent legislation?

Sir ALBERT STANLEY: No, we have the power to do it without new legislation; we have the decision of the Government.

Mr. HUGHES: By Statute?

Sir ALBERT STANLEY: It is a legislative enactment, of old date, which we can operate under. The position is that we have the power, either in peace or war, to restrict any class of import, so long as we do not distinguish as to the source of origin of the import. That is our power to-day, and no further power is needed. And so if we say no dyes are to be imported into the United Kingdom except by licence, and do not distinguish as to source, no further power is needed.

Mr. LLOYD: That is merely a matter of policy of the existing Government?

Sir ALBERT STANLEY: Yes, that is so.

Mr. LLOYD: And immediately there is a change of Government there may be a change of policy? Without reference to Parliament it may be rescinded?

Sir ALBERT STANLEY: It might be that some succeeding Government would take a different view, and that would also be true of legislation.

Mr. LLOYD: But there would have to be a discussion in Parliament before it was altered.

Sir JOSEPH WARD: That applies to all Governments.

Dr. ADDISON: It would be impossible without it being brought before Parliament—

Mr. LLOYD: It is not done simply round a table?

CHAIRMAN: It is only a difference of degree. It is obvious that any act of the Government not necessarily involving legislation, but involving a complete change of policy, is open to the same discussion in Parliament as is a Bill, the only difference being that the discussion takes place on one or two occasions, instead of during the whole series of occasions during which the Bill is under consideration. That is a difficulty which we have always got to face, and I do not think it is one which we can deal with, even by legislation. If we passed a law, and if a succeeding Government determined that that law was a bad one, they need not give effect to it.

Mr. HUGHES: Would it be possible to ascertain the opinions of delegates on the whole Resolution?

Sir JOSEPH WARD: The discussion has been an interesting, important, and useful one, and I suggest that as it is evident there could not be agreement on this suggested amendment, I should withdraw it, so that the matter can occupy the attention of the War Cabinet in due course.

CHAIRMAN: Very well. Sir Joseph Ward withdraws his amendment. Is it your pleasure that the Resolution, as amended, be adopted?

Mr. MEIGHEN: That is amended by the deletion of (b).

CHAIRMAN: Yes.

Mr. MEIGHEN: There is only a small point, and that is that aluminium is a necessary article for high-class aeroplanes, and should be included.

CHAIRMAN: You want it added?

Mr. MEIGHEN: I do not know that it is necessary to add it, but it is important.

The Resolution was then carried, as amended, in the following form:—

"(1) The Conference agrees that it is necessary to secure for the British Empire and the belligerent Allies the command of certain essential raw materials in order to enable them to repair the effects of the War as soon as possible and to safeguard their industrial requirements.

"(2) The Conference is of opinion that the Governments of the British Empire should make such arrangements amongst themselves as will ensure that essential raw materials produced within the Empire shall be available for the above purposes, and should arrange with the Allied Countries to utilise for the same purposes essential raw materials produced in those countries.

"(3) Amongst the raw materials which should be considered for the purpose of this policy, the Conference recommends the following:—

"Asbestos.	Lead and its ores.
Cotton.	Manganese ores.
Jute.	Nickel, refined and matte.
Wool.	Spelter and zinc concentrates.
Hides and skins.	Tin and its ores.
Leather.	Tungsten ores.
Rubber.	Mica.
Oleaginous products.	Molybdenum.
Petroleum.	Steam coal."
Copper.	

Imperial Meat Supplies.

CHAIRMAN: Now we go on to meat. With reference to meat, the Prime Minister of New Zealand asked, at the last meeting, if it would be possible to have some representative of the trade present. I have consulted our previous practice, and I find it would be contrary to the previous rules of the Conference to have any representatives of the trade present. There is also a special reason in the present case in that, as the President of the Board of Trade points out in his covering Note* to the Report* which is before the Conference, the Committee did not think it advisable to consult representatives of the trade for fear of premature disclosure of their proposals. Sir Thomas Robinson is, however, present, who was on the Committee. I do not think it would do to adopt the suggestion, because it would be quite a new departure.

Mr. MASSEY: It was not a suggestion: I only asked a question.

Imports and Exports (Temporary Control) Bill.

Sir ALBERT STANLEY: We have also a re-draft of the Resolution on the Imports and Exports (Temporary Control) Bill.

* See pp. 279-290.

CHAIRMAN: It has not been circulated.

Sir ALBERT STANLEY: It was circulated this morning with the others.

Sir S. P. SINHA: It was not fully discussed in Committee.

CHAIRMAN: I have not seen it. It will come up again in Committee.

Mr. BURTON: If I may say so, yesterday, when we discussed this matter of the Imports and Exports Bill, it was suggested that this was hardly a matter for the Committee to sit and discuss, but that as it was a matter of first-rate importance, of policy, instead of going to a Sub-Committee it should be before us. I still think so. I do not see what more we can do with the Imports and Exports Bill in Committee.

Sir S. P. SINHA: We wanted to see if we could do anything further, and a further meeting is fixed for this afternoon for that purpose. A further meeting of the Committee is fixed.

CHAIRMAN: I think we must wait until the Committee makes its decision, because this Bill on Imports and Exports was referred to them and is before them, and I do not think we can take the matter out of order. Therefore meat is the next. The Resolution is before you.

Imperial Meat Supplies.

Sir ALBERT STANLEY: Do you wish me to say something on the Resolution, Mr. Chairman?

CHAIRMAN: Yes, please.

Sir ALBERT STANLEY: As Mr. Hughes said, as this Resolution stands now, it is one on which no possible objection could be taken by anyone. The Resolution as drafted in its present form, was done deliberately, and I will explain, later, why we suggested the Resolution should take the form it has. It is not necessary for me to recall to members of the Conference, Resolution XX. of the previous Imperial War Conference on the question of meat supplies.* Perhaps I had better describe, briefly, what steps have been taken since the last meeting of the Imperial War Conference to give effect to that particular Resolution. We arranged for a Conference, composed of representatives of each of the Overseas Dominions, of the Colonial Office, and of the Board of Trade. And at our first meeting, as a sort of preliminary review of the position, we determined that this question should be referred to a Sub-Committee, so that experts might go into the matter, who would be competent to make a Report to the Conference. This Sub-Committee was formed, and Mr. Shirley Benn—now Sir Arthur Shirley Benn—was appointed Chairman of that Committee. And the Committee has made a Report,† of which copies have been circulated. Now, the members of this Meat Conference were not in a position, nor was any member of it in a position, to make any definite recommendation, although agreeing that the recommendations of the Sub-Committee might, in their personal opinion, be acceptable, and form the basis upon which some agreed scheme could be determined. But in the absence of an opportunity of consulting with their respective Governments—and I was myself in a similar position—we felt we could not take the responsibility of making any definite recommendation to this Conference, but that we should simply forward the Report of the Committee, with the suggestion that the suggestions laid down in this Report might form a basis for the discussion and for the consideration of this Conference. That explains why this Resolution is not more definite, and why we have had to draft it as it is. There is another point I should like to mention, and that is, that neither the members of the Sub-Committee nor yet the members of the Conference itself consulted any representatives of the trade interests affected. We all felt that we had a sufficient knowledge of the position, so that we could come to a certain conclusion without consulting any of the trades affected. But we did feel that if this Conference came to the conclusion that some definite steps should be taken to deal with this matter, whatever they may be, that before any legislative action is taken by any of the Governments affected, an opportunity should be given to the trades affected of presenting their case for the consideration of the Governments concerned. Now, the position is carefully reviewed

* See p. xv. of Dominions No. 62.

† See p. 279.

Sir ALBERT STANLEY—cont.

in, I think it is, the second paragraph of the Report on Imperial Meat Resources, and this paragraph reads as follows: "Briefly the position of affairs which led to the foregoing Resolution (*i.e.*, the Resolution of the 1917 Conference) was as follows: "Before the war the United Kingdom drew from abroad 40 per cent. of its supplies of beef, 50 per cent. of its supplies of mutton, and 45 per cent. of its supplies of pig products. About half the beef and a large proportion of the pig products were in the hands of a group of American companies popularly understood to be working together. India and the West African Colonies received some supplies of meat (both British and foreign), and the Union of South Africa some bacon from the United Kingdom, while British Possessions in the Mediterranean and the East, as well as Canada, imported from Australia and New Zealand." I think that briefly explains the position, without my needing to go into it in any greater detail. The Report, as those who have read it will see clearly, deals with this subject under two different headings: (1) to secure an adequate supply of meat for the British Empire and for our Allies during the reconstruction period, (2) to take steps to secure that the meat supplies within the British Empire should not be brought under the control of foreign countries, particularly having in mind the big American Beef Trusts. Now, the Report goes on to point out, in dealing with the first point—securing an adequate supply—that there will be a very heavy demand for meat and for cattle after the war; that the herds and flocks, in some of the belligerent countries at least, will have been considerably depleted, and, beyond that, some of the belligerents will have established, upon a broader basis, the habit of consuming meat as an article of diet—particularly, for instance, in France, and perhaps in Italy as well, because of the great number of their men in military service who are being fed upon meat to a very considerable extent, that habit will have become fixed, and will secure a much wider market for meat than was the case before the war. The Report goes on to point out that as regards mutton and lamb, the Empire, as a whole, is self-supporting, but that as regards beef it is very far from being independent. The Report suggests—

Sir JOSEPH WARD: I do not like to interrupt, but you tell us that the Empire is self-supporting as regards mutton and lamb. Then 75 per cent. of the imports is sufficient to make it self-supporting. You say that 75 per cent. of the mutton and lamb for the United Kingdom comes from Australia and New Zealand. Is that sufficient to make the Empire self-supporting?

Sir ALBERT STANLEY: What the Report means is that as regards the quantity of mutton and lamb produced within the Empire, that in the aggregate is, or will be within the next few years, sufficient to make the Empire independent of foreign supplies.

Mr. MASSEY: But you say you obtain supplies from the Argentine as well.

Sir ALBERT STANLEY: It may be that we are securing supplies from foreign countries, but I think statistics show that the amount produced in the Empire itself of mutton and lamb is, or will shortly be, sufficient for our needs. But that does not apply to beef, of course.

Mr. HUGHES: One question, by the way. Refrigerated tonnage is very short, and without it you can do nothing. Is it contemplated, and is it possible, to make arrangements for supplying that?

Sir ALBERT STANLEY: That is what I was going on to say—that the Report does recommend that one of the steps necessary to secure an adequate supply of meat for the Empire and for our Allies would be by securing the continued control of shipping after the war.

Mr. MASSEY: There is a recommendation about an increase of refrigerated shipping later on.

Sir ALBERT STANLEY: Yes. And that some priority should be given to the construction of refrigerated shipping; so that, having control of the shipping, they would be able, while not having control of the product itself, they would at least be able to direct the destination of the product through the control of their shipping. I will deal later on with how they propose to deal with the control of the meat

Sir ALBERT STANLEY—*cont.*

itself. In order to secure the product itself, the Committee suggest that the present arrangement which exists between the Imperial Government and the Government of Australia and the Government of New Zealand should be continued after the war, and that a similar arrangement should be made with the other meat-producing parts of the Empire, if they should so desire. Those would, of course, apply to live cattle, as well as to meat itself. The arrangement with Australia and New Zealand is this: that the exportable surplus of meat is purchased by the Imperial Government—purchased, of course, through the Governments of those countries, but the Imperial Government is the actual purchaser. And it is suggested that a price should be agreed with the producers for their meat and for their cattle, that is, the price that would be guaranteed to the grower, a fair price.

Mr. MASSEY: From year to year?

Sir ALBERT STANLEY: From year to year, if need be. But it might be that the meat which was sold by the Imperial Government, and which would be sold through the ordinary trade channels, might fetch a higher price than that which had been paid to the grower, because it is suggested that the meat should be sold on a commercial basis, that it should be sold at the prevailing market price at the time. If there is any profit arising out of the transaction—in other words, if a higher price was received than was paid to the grower—it is suggested that there should be a division of this profit, as between the Government and the grower. On the other hand, if the meat is sold at a lower price than has been paid for it, the loss must fall on the Government itself. That would deal with the meat situation within the Empire. It would, on the one hand, secure the control of the shipping during this reconstruction period, and it would also secure the control of the product itself. And we should, in that way, be able to direct the destination of the supply. And here the Committee make a suggestion which, I think, is very important: that is, that every effort should be made, and must be made, to maintain our markets on the Continent, that a reasonable proportion of the amount of meat produced within the Empire should be sold to the Continental markets, even though it might mean that Great Britain, on the other hand, would go somewhat short. The object of that is to maintain, during the reconstruction period, the markets upon the Continent for meat produced within the Empire. And, as the time went on and conditions became improved, they would be able gradually to extend their activities, and would not, during the reconstruction period, have lost their markets upon the Continent. I think that is a very important point. They deal also with the meat produced in foreign countries, and here they suggest a continuation and an extension of the arrangement which the British Government has now with one of the British meat companies of the Argentine.

Mr. MASSEY: What paragraph is that?

Sir ALBERT STANLEY: It is paragraph 49. The arrangement proposed is, that the British meat companies which are established in the Argentine should be, through the Imperial Government, guaranteed a certain rate of interest upon their investment for a period of years, that British companies should be encouraged to establish undertakings in some of the great cattle-growing countries in South America, and that they should be given some sort of guarantee such as I have described. In return for that, the meat companies would be bound by an arrangement to produce meat, and to sell it at such a price as the Government might direct. The particular object of that recommendation is to secure all British companies against the attempts of foreign undertakings to secure a controlling interest in their property. It is suggested by the British undertakings—and it is true—that the British undertakings in South America to-day are completely dominated by some Convention arrangement with the American companies, that they can only expand up to a certain point, and that if they attempt to go beyond that, the American companies can throttle them. That was what was in the Committee's mind. And it is suggested that if the British Government stood at the back of these British undertakings, then it would not be possible, of course, for these undertakings to form any arrangement with any of the foreign undertakings without the consent and the knowledge of the British Govern-

Sir ALBERT STANLEY—*cont.*

ment, and in that way it would be an encouragement for British companies to establish themselves in South America in competition with the foreign companies, particularly American companies.

Mr. MEIGHEN: While not disputing your right to take that course, it does seem incongruous to place that item of policy under the heading of making the Empire self-supporting in meat, because the recommendations made are heading in exactly the other way.

Sir ALBERT STANLEY: I was going to explain that point, that as a result of that policy we might be discouraging the development of this industry within the Empire. I think the suggestion is that, as far as one can see ahead, there is no likelihood of more meat being produced than is required by the Empire.

Mr. MEIGHEN: You will crush out competition in the meat industry in the interests of favoured countries.

Sir ALBERT STANLEY: You might do it in South America, for instance, and not in Canada.

Mr. MEIGHEN: If you do it in South America, you are heading towards the extinction of the Canadian export cattle trade—that is to Great Britain.

Sir ALBERT STANLEY: Unless you make a move in South America and establish a British industry, it will be completely dominated by the Americans.

Mr. MEIGHEN: That may be.

Sir ALBERT STANLEY: But if it is argued, on the other hand, that this would be prejudicial to some parts of the Empire, I suggest that there is no reason why any arrangement which might be made in respect to these undertakings in South America could not also be applied to the Empire.

Mr. MEIGHEN: But you are making the Empire non-self-supporting in meat instead of making it self-supporting—in so far as you apply this suggestion.

Sir ALBERT STANLEY: These are the suggestions of the Committee, and perhaps we shall gain a good deal of light during the debate upon this Report. We must look after the interests of South America, because we must take beef from South America. The experience we have had during the war with the undertaking in the Argentine in which we are interested, shows that very considerable profits are made, and it has given us a very valuable insight into the costs in connection with this industry. Now, the Committee make a further recommendation on this particular question of foreign control, and that is that all of those who are engaged in the export trade, and in the import trade, and those who are interested in cold-storage plants, should be brought under some system of licence: that is the suggestion of the Committee. The idea is this: that there should be a record of everybody engaged in the trade, not growers, but those engaged in import and export and cold storage, so that they should be required, as they will be required, to make certain returns to the Government. The object of securing those returns is, that the Government might have a knowledge immediately of any financial arrangement, or any agreements, which these people might enter into, which might have the effect of transferring their interests and control to any foreign group. It does not follow that this system of licensing should be the principle adopted: the underlying idea is that there should be some way whereby the information with respect to the activities of people engaged in this trade should be known by the respective Governments, so that, if necessary, steps could be taken to prevent their operations from falling under the control of any foreign undertaking.

Mr. BURTON: "Foreign undertaking" in this connection means not only our present enemies, but our Allies?

Sir ALBERT STANLEY: Foreign in the widest sense of the word, yes, that is true. I will only mention, in conclusion, that the proposals of this Committee—which I have only briefly, and very sketchily, I am afraid, dealt with—are only intended to cover what is generally termed the reconstruction period; they are not intended as permanent measures. But the suggestion is, that if something similar to what I have described is done, and it is in operation during the reconstruction

Sir ALBERT STANLEY—*cont.*

period, it will give the Governments an opportunity of acquiring information and experience on this matter during that period. And arising out of this experience we can then determine what permanent measures should be adopted. Sir Thomas Robinson was a member of the Committee. He has a very wide knowledge of this whole matter. I have covered the ground very imperfectly, but I am sure he will be glad to add to what I have said, and to give any information which the Conference may desire.

Mr. MASSEY: I am not going to make a speech, but as it is now one o'clock and it would be quite impossible to finish this subject to-day, we might perhaps adjourn.

CHAIRMAN: I think that would be the better course.

Mr. MASSEY: We adjourn till Friday?

CHAIRMAN: If you please.

SIXTH DAY.

Friday, 28th June 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

PRESENT:

The Right Honourable WALTER H. LONG, M.P., Secretary of State for the Colonies (Chairman of the Conference).

The Right Honourable Sir ALBERT STANLEY, M.P., President of the Board of Trade.

The Right Honourable C. ADDISON, M.P., Minister of Reconstruction.

Mr. W. A. S. HEWINS, M.P., Parliamentary Under-Secretary of State for the Colonies.

Canada.

The Honourable A. MEIGHEN, K.C., Minister of the Interior.

The Honourable J. A. CALDER, Minister of Immigration and Colonization.

The Honourable N. W. ROWELL, K.C., President of the Privy Council.

Australia.

The Right Honourable W. M. HUGHES, Prime Minister.

The Right Honourable J. COOK, Minister of the Navy.

New Zealand.

The Right Honourable W. F. MASSEY, Prime Minister.

The Right Honourable Sir JOSEPH WARD, Bart., K.C.M.G., Minister of Finance.

South Africa.

The Honourable H. BURTON, K.C., Minister of Railways and Harbours.

Newfoundland.

The Right Honourable W. F. LLOYD, Prime Minister.

India.

Major-General His Highness the MAHARAJA OF PATIALA, G.C.I.E., G.B.E.

The Honourable Sir S. P. SINHA, K.C., Member of the Executive Council of the Governor of Bengal.

Mr. H. C. M. LAMBERT, C.B., Secretary to the Conference.

Mr. E. J. HARDING, C.M.G., Junior Assistant Secretary to the Conference.

THERE WERE ALSO PRESENT:

Sir G. V. FIDDES, G.C.M.G., C.B., Permanent Under-Secretary of State for the Colonies.

Sir H. LLEWELLYN SMITH, K.C.B., Permanent Secretary, Board of Trade.

Mr. V. A. A. WELLESLEY, Controller of Commercial and Consular Affairs, Foreign Office.

6th Day.]

ORDER OF BUSINESS.

[28 June 1918.]

Mr. GARNHAM ROPER, C.B., Assistant Secretary, Harbour Department, Board of Trade.
 Sir THOMAS BILBE ROBINSON, K.C.M.G., K.B.E., Agent-General for Queensland.
 Mr. H. FOUNTAIN, C.B., C.M.G., Assistant Secretary, Commercial Relations and Treaties Department, Board of Trade.
 Mr. PERCY ASHLEY, Assistant Secretary, Industries and Manufactures Department, Board of Trade.
 Mr. U. F. WINTOUR, C.B., C.M.G., Secretary, Ministry of Food.
 Sir H. REW, K.C.B., Assistant Secretary, Board of Agriculture and Fisheries.
 Mr. F. T. BOYS, Director of Meat Supplies, Ministry of Food.
 Mr. L. CHRISTIE, Legal Adviser, Department of External Affairs, Canada.
 Sir R. GARRAN, C.M.G., Solicitor-General, Commonwealth of Australia.
 Lieutenant-Commander J. G. LATHAM, Royal Australian Naval Board.
 Major-General Sir G. ASTON, K.C.B., of the War Cabinet Secretariat.
 Mr. H. W. CARLESS DAVIS, C.B.E., Deputy Chairman, War Trade Intelligence Department.
 And Private Secretaries.

Order of Business.

CHAIRMAN: Is the Committee which is representative of all the Governments, which considered the question of Raw Materials in Mr. Hewins's room, prepared to meet to consider the agenda at 11 o'clock on 5th July, that is to say, on Friday of next week. It does not seem likely that we shall be able to get a meeting of the Conference next week, as everybody will be elsewhere, and we thought we might utilise Friday, getting as many members of the Committee as we can to attend, to discuss the agenda for the rest of our meetings.

Mr. MEIGHEN: We shall be here on Friday, Mr. Long.

CHAIRMAN: I would ask any member of the Committee who cannot attend to be good enough to appoint one of his colleagues, so that each Government can be represented, if possible.

Mr. LLOYD: What Committee is that?

CHAIRMAN: It is the Committee which we appointed at the meeting before last of representatives of the Governments to consider the raw materials Resolutions.

Mr. LLOYD: The reason I ask that is, that the same matter arose at the Committee meeting. It was said—though I do not know on what ground—that this matter was to be referred not to that Committee, but to the original Agenda Committee.

CHAIRMAN: That is so, but this Committee seems to be rather more representative. It does not seem to be worth while to have two Committees sitting for practically the same work, and the Committee that was sitting in Mr. Hewins's room is representative of all the Governments.

Mr. LLOYD: I do not raise any objection, but the point is that of one Committee I am a member, and of the other I am not a member, and I want to know what my position is. I am not a member of the original Agenda Committee.

CHAIRMAN: No, but you are a member of the larger Committee, and that is why we formed the larger Committee, because it represents all the Governments, instead of only some of them. And the Committee might also wish to discuss the terms of a draft Resolution about emigration. We shall probably consider that later. It might be well to agree on the terms of a draft Resolution.

28 June 1918.] IMPORTS AND EXPORTS (TEMPORARY CONTROL) BILL. [6th Day. 221

Mr. HUGHES: Is it suggested that the Conference shall reassemble next Friday?

CHAIRMAN: No, only the Committee; the Conference will reassemble on Monday week.

Mr. HUGHES: All right.

Imports and Exports (Temporary Control) Bill.

CHAIRMAN: The first subject on the agenda is the Imports and Exports (Temporary Control) Bill, on which a Resolution has been brought up which has been agreed to by the Drafting Committee. The terms of this Resolution are:—

"That this Conference has considered the provisions of the Imports and Exports (Temporary Control) Bill now before the Imperial Parliament, and is of opinion that, whilst the circumstances of the different parts of the Empire differ widely as regards the extent to which it may prove desirable to pass similar legislation, the respective Governments should nevertheless take such action as may be deemed expedient to enable the objects of Resolution III. to be fully carried out. To assist the Governments in determining their action in this respect, the Conference recommends (1) that a Committee of its members should first consider the possible methods in each part of the Empire of obtaining command of each of the essential raw materials specified in Resolution III.; (2) that the Governments represented at the Conference should, in the light of the information collected by their representatives on this Committee, consult with the representatives of the producers and traders concerned as to the method of obtaining command most suited to each individual commodity."

Sir ALBERT STANLEY: "Best suited," instead of "most suited," would be better.

CHAIRMAN: Yes, "best" instead of "most," on the last line but one. (Agreed.) Does anyone wish to raise any point on this Resolution, or is the Conference prepared to adopt it?

Mr. HUGHES: On this Resolution?

CHAIRMAN: Yes.

Mr. HUGHES: Yes, I do, sir. I have only just seen this Resolution, but it appears to me that unless the deliberations of this Conference are to end where they began, we must have something much more definite than this. After all, it is perfectly well known to those who have to deal with these matters in a practical way that if you have not control over exports you might just as well abandon the whole struggle; you cannot succeed. The power to control exports resides—must reside—in the Government of the country, and if the Government needs its authority reinforced by Statute, then statutory authority ought to be given. Personally, I am inclined to think that such power is inherent in Governments; but whether that be so or not is not very much to the point. In Australia we have taken this power, and during the war, I suppose, every Government is taking that power. Is not that so, Mr. Meighen.

Mr. CALDER: I have not seen the British Imports and Exports Bill.

Mr. HUGHES: Have you seen it, Mr. Massey?

Mr. MASSEY: I have.

Mr. HUGHES: Most of us have not seen this Imports and Exports Bill; or an Act, is it?

Sir ALBERT STANLEY: A Bill.

Mr. HUGHES: I have not seen it. I do not know what it does.

Sir ALBERT STANLEY: I thought copies had been circulated.

Mr. HUGHES: Anyhow, I have not seen it.

Sir ALBERT STANLEY: It has been sent to the Dominion Premiers.

Mr. HUGHES: I will tell you what we do. Under a section of our Customs Act the Governor-General in Council may prohibit the importation of any goods, and that is a power that does not require more legislation. As to exports, the power under the principal Act is limited to specified classes of goods; but there is a dragnet clause which enables us to include in that any goods the exportation of which the Governor-General thinks harmful to the Commonwealth. You could not have anything wider than that, provided you have a discreet and firm Executive.

Mr. MEIGHEN: Is that in your Customs Act?

Mr. HUGHES: Yes, it is in the Customs Act.

Dr. ADDISON: Does your power extend beyond general prohibition, or does it enable you to give a licence to allow an export to go to a certain destination?

Mr. HUGHES: Yes, it does. Any class of goods, or any particular person's transactions, may be taken out of the general prohibition by licence. Of course, most of our business now is carried on under licence as it were, that is to say, there is general prohibition, and there are exceptions taken by licence. What I do hope is, that the Conference will not agree to the Resolutions of the Sub-committee, but that it will agree, without committing itself to the verbiage of the Imports and Exports (Temporary Control) Bill of the United Kingdom, to that kind of legislation which will clothe each of the Dominion Legislatures with the power of controlling imports and exports. They must now have the power of controlling imports.

Mr. MEIGHEN: The Legislature has the power, of course, not the Executive. We have during the war, but not after the war.

Mr. HUGHES: I see what you mean; you have your tariff.

Mr. MEIGHEN: That is legislative.

Mr. HUGHES: Yes, I see what you mean. Of course, the tariff does not prohibit the entry of anything; it says, if they come in they must pay a tax. But have not you any additional power to prohibit any articles coming in or going out?

Mr. MEIGHEN: We have what we call an anti-dumping clause, and there is a general power, but I do not think any Executive in Canada would lodge upon that a plan or policy of controlling its imports and exports so as to meet the objects of the Imports and Exports Bill, without the express authority of Parliament.

Mr. LLOYD: It is the same in Newfoundland.

Mr. MEIGHEN: I am disposed to think, Mr. Hughes, that Parliament would prefer that the question of giving that authority should come before it pursuant to a Resolution of this character rather than pursuant to a more specific or dictatorial one from the Conference, which would be much less likely to succeed.

Mr. HUGHES: I see. But what do we want a Committee for, as proposed in the draft Resolution, if, in effect, we are going to leave it to each Dominion to deal with this matter, to give effect to Resolution 3 each in its own way? What do you want a Committee for?

Mr. LLOYD: To gather information as to methods, and supply the information each to its Dominion.

Dr. ADDISON: Is it not the case that we should try and ascertain with respect to any particular commodity which may be unequally distributed, of which the Empire may or may not have a very limited share of control, whether it may not be possible to pursue a similar course of action. But until you obtain your general powers you cannot exercise control. And so with respect to any particular commodity: it depends upon how it is produced and distributed. So, in order to get down to business, we must do so finally in reference to commodities. The information is already got for consideration.

Sir ALBERT STANLEY: Perhaps I may give some explanation to Mr. Hughes. At this Sub-committee it was suggested by one or two representatives that it would be very difficult, if not impossible, for them to secure legislation on the lines of the

Sir ALBERT STANLEY—cont.

Imports and Exports Bill. Nevertheless, they agreed that it is desirable, that it is necessary, there should be some control, some command, over the essential raw materials, certainly, at least, during the period of reconstruction. And it was because they were so anxious that something should be done in that direction, and to meet the desire that we should explore all the possibilities of securing command of these materials by some means other than by legislation such as that provided in the Bill, that we agreed that we should prepare a Memorandum at the Board of Trade setting forth the different possibilities of control for the consideration of this Sub-committee. It might be that, as a result of the Memorandum we should prepare, arising out of the many investigations that have been carried on during the last few months, they would come to the conclusion that there was no alternative other than by prohibiting imports and exports except under licence. Nevertheless, they wanted an opportunity of reviewing the whole problem in all its aspects, so that they might be fortified with that information when they went back to their respective countries and considered it with their Governments.

Mr. HUGHES: I think that is a very good idea. Of course, I do not see what a Committee can do in this matter. A Committee does not draw up this Memorandum; you draw it up yourself.

Dr. ADDISON: In the case of some commodities, the only way to secure control might be by some scheme of purchase.

Mr. HUGHES: But if you are going to deal with a concrete thing no Committee can help you. You say to me, to Mr. Massey, to Mr. Meighen, We want bacon, or we want butter, or lead—whatever it is. You say, Can we have it? He says, I want you to have it. You say, How can we best secure it? That is a business for you and for Mr. Massey; no Committee can help you there. And how can Mr. Massey say what is the best way for Mr. Meighen? How can Mr. Meighen say what is the best way in which you can buy things from me? You can't; it comes down to a business proposition. You cannot deal with it in any other way.

Dr. ADDISON: But now we have got Mr. Meighen and Mr. Massey here, we may discuss it with them together. Is it not an advantage that we can discuss it together, to come to an arrangement with them both together?

Mr. HUGHES: No, you could not, because you do not deal with the things in detail; you are dealing here with things in generalities. But if you say to Mr. Massey, "We will take your New Zealand butter," he can deal with that. And it would be helpful if Mr. Lloyd and Mr. Burton and Mr. Massey and myself, all five of us, were to deal with that; we could then help each other.

Dr. ADDISON: That is what the Committee will do.

Mr. HUGHES: When you come to that, you will deal with it, but I shall say it is his business.

Mr. LLOYD: It is suggested we shall do that.

Mr. CALDER: It may be quite possible to deal with Mr. Massey in one way, but he might be able to deal by a method which would not be applicable in Canada at all. And the same is true of other matters. What we desired, on the Committee, was a list of all the possible methods of control, so that we might have it for reference in determining what particular method is applicable to any commodity in each Dominion. The object was to get the Board of Trade to submit to our Committee a list of all the various methods that they thought might be adopted.

Mr. HUGHES: Each go to our own Houses?

Mr. CALDER: As to this question of giving the Executive full control of imports and exports, the plan would be very simple, but we feel we cannot do that; public opinion would not allow us to do it, and South Africa, I expect, is in the same position. We are anxious to come to some means whereby we can secure the object which is sought. All that we want to know is, the various possible methods by which that can be done. We may be able to think out some; you may be able to think out some. Let us get these together, so that we can carry them back, and, if possible, apply them.

Mr. HUGHES: I agree with what you say, but I repeat that if I attend a Committee I can give no suggestion whatever. There is only one way of dealing with the raw materials in the Empire, and that is an end of it. And I think it would strengthen your hands enormously in Canada if we pass a Resolution saying the only effective way of doing it is to take control of exports.

Mr. MASSEY: That ought to be done by the Parliament of the United Kingdom.

Mr. HUGHES: I will not say any more: I will not press a Resolution.

Mr. MASSEY: Speaking from memory, I would say we have all the power that we require. I cannot guarantee that I can recollect all the provisions of the different Acts which deal with this subject, but before the war we had a very great deal of power in our Customs Act, by which we were able to prevent the exportation of certain commodities and to approve the exportation of certain commodities, and that power has been greatly extended by our war legislation. And now, during the war period at all events, and for six months afterwards, we can do practically anything we like by an Order in Council. We can prevent anything leaving New Zealand which we think should not leave the country, and we can prevent anything coming into New Zealand which we think should not be imported. And we can say that certain commodities can only be exported to certain parts—the United Kingdom, for instance.

Mr. HUGHES: And I do not doubt that will be extended to cover the period of reconstruction.

Mr. MASSEY: There will be no difficulty whatever. I am absolutely certain there will be no difficulty whatever. I am very strongly of opinion that where that power does not exist, then it should be taken. But if we are going to allow matters to run back into the groove in which they were running prior to the war, we must conclude that a very great deal of our war effort will have been wasted. And that is the danger that I see in front of us. And I am pretty certain, from what we hear of the way matters are being arranged in present enemy countries, that preparations are being made so that directly the present war comes to an end we shall enter upon a commercial and industrial war such as we have never experienced up to the present. And I believe that in that war we hold what I may be allowed to call, in this connection, the trump cards, because we possess a great deal of the raw material of the world, and it is hardly necessary for me to say I think that we should do our best to prevent that raw material again finding its way into enemy hands. And there is this difficulty, which has not yet been faced in the United Kingdom, we do not know what is going to be done with regard to fiscal matters here. I know how difficult it is to deal with such a matter during the war period: I know that public men in the United Kingdom are looking forward to a General Election in the not far distant future; we are given to understand that a General Election will come along at the end of this year or at the beginning of next—I am only repeating the opinions I have heard, or part of them—and from them people argue that it would be wrong to take up, or attempt to deal with, such matters as legislation in connection with Customs Duties, or alterations in the fiscal policy which has been in operation in Great Britain for many years past. I am not now expressing my own opinion. But this has got to be taken in hand, and for the sake of the whole Empire, the sooner we know what the policy of Great Britain is going to be, the better it will be, and the sooner we shall be able to make the necessary arrangements. But it all comes back to this, that we shall have to do a great deal more in the way of preferential treatment with regard to the countries of the Empire than we have in the past, and if we do not, the Empire will not progress as we, every one of us, would like to see it progress. That is my opinion.

Mr. HUGHES: I would make a suggestion regarding the opening paragraph of this Resolution to see if Mr. Meighen, Mr. Burton, and Mr. Lloyd can accept it. In the fifth line, where it says "the different parts of the Empire differ widely as regards the extent," say "differ widely as regards the form of the legislation necessary," and then go on "the respective Governments should nevertheless," &c.

CHAIRMAN: It would now run in this way: "and is of opinion that whilst the circumstances of the different parts of the Empire differ widely as regards the form of the legislation necessary, the respective Governments should nevertheless take such action as may be expedient to enable the objects of Resolution III. to be fully carried out."

Mr. HUGHES: "Take action effective to control imports and exports as required for the purposes of Resolution III." I am not going to press that any further than just to put it forward that, in my opinion, it will not hamper you at all, or the Legislature of Canada, or of New Zealand, or South Africa. They will have ample discretionary power, and at the same time we shall indicate, without definitely declaring, our opinion that it can only be done by interfering in some way with imports and exports, which is, of course, absolutely true. I suggest, therefore, that we might accept that as a working compromise on the different views that have been expressed.

CHAIRMAN: What do the representatives of the other Governments feel about it?

Mr. BURTON: May I say, Mr. Long, a word on this subject at this stage? This whole question was very thoroughly and fully discussed by our Sub-committee on, I think, two occasions. And the position, as far as South Africa is concerned—which, I gather, is very much the same in Canada and Newfoundland—is this. I think we all agree that it is desirable, and, in fact, necessary, that every effort should be made to secure these raw materials for the use of the Empire and its Allies during the reconstruction period. The question is what the best line is to adopt in order to secure that. Now, it is no use whatever dealing with a matter of this kind simply on broad lines of patriotism or of national necessities; you have got to deal with it as a question of business, because business it is, and business lies at the heart of the whole thing. Now, it would be wrong on my part if I were not to state, what I believe to be the fact—what my colleague and myself and my colleagues in the Government in South Africa are certain is a fact—namely, that while we, and I think the great majority of the people of the country, are well disposed and would be prepared to do what they could in this direction, if you are going to adopt the method of legislative control of imports and exports, that is to say, to give the Executive power to dictate to the people what they are to do with their goods, you will wreck your whole scheme. The thing will die in its inception, because the people are of a very independent character, as they are elsewhere, and they do not like this sort of thing. Quite apart from the inherent merits or demerits of the matter, I do not think there is the faintest probability of our getting it through; I do not think there is a Government that could hold if it would do it. And by taking such a step you will set the temper of the people against the measures which you may be able to adopt, with their consent alone, in this direction. It is a question how much can be done without this legislation, which Mr. Hughes refers to, and which has been put before us, quite frankly, by the President of the Board of Trade as the only effective way of doing it, in his opinion, which, of course, I can see the force of. Apart from that, no doubt, it is very difficult to see the ways of achieving our object. I think it is true to say that with regard to one commodity there may be different ways of dealing with it, and not only as regards that commodity, but as regards a different commodity, or a different country which you may be dealing with, according to particular characteristics, and so forth, the conditions affecting it. And what I am saying certainly was expressed by the Canadian representative and by Mr. Lloyd. It would be, in my opinion, not merely difficult, but it would be impossible for legislation of this sort to be carried—I speak for my own Dominion. So it is of no use discussing the means, as far as I am concerned. If we are going to deal with things of this sort, we must deal with the situation on facts, and not as we would like it to be. You must, after all, take your situation as you find it. I do not think there is the slightest doubt that this will not do; it will tend towards spoiling the whole object which you have in view. So, if you speak of legislation in the way the amendment of Mr. Hughes does, the form of legislation which may be necessary, you will be introducing some element into a frank policy which is not so frank. We

Sir ALBERT STANLEY: I do not want to interrupt, but it might be of interest to the Conference to know, that, as far as that particular recommendation is concerned, the British Government already have the power to prevent transfer of any ship under the British flag for, I think it is, three years after the war, without the consent of the British Government.

Mr. MASSEY: I trust that power will be exercised. I know this is not going to be published, or I would not repeat it, but what has happened is this: Take, for instance, the convoy by which I myself and some other Representatives came over to Britain only three weeks ago. In that convoy there were several New Zealand ships—I mean ships that were built for the New Zealand trade, and expressly built for the purpose of carrying frozen meat, carrying troops and supplies from the United States to England. I am not finding fault, but that is what is causing the difficulty—the necessity of shipping these troops, and their supplies of food and equipment and all the rest of it. The ships are required for that purpose, and I suppose, until the American troops reach England, at all events, it will not be possible to release many of these ships. And the difficulty, to a certain extent, will continue, because those men have to be supplied with food and munitions, and all their other requirements, and ships will be required for that purpose. But I hope it will be remembered, if it is possible to make the arrangement, that ships which are not insulated will carry supplies and convey passengers as well as those which are insulated—better, as a matter of fact, because there is more space available, and I hope that insulated ships will be, as far as possible, left available for the purpose of carrying meat supplies from the countries which are represented at the Conference to-day, of which South Africa is one.

Then there is the third Recommendation under the heading "Oversea Transport"—"The control of insulated ships by the Imperial and Dominion Governments, acting in concert in all matters affecting both the United Kingdom and the Oversea Dominions, during the reconstruction period, so as to ensure, where necessary, the determination of the cargo, of the movements of the ships, and of the rates of freight." This is a very important Recommendation, and evidently the result of considerable thought on the part of the Committee. I see it is intended that the Dominion Governments shall have a say in the control of insulated ships, and I do think it is necessary, in justice to the Dominions, that they should have a representative on the controlling authority. That is scarcely the case so far as New Zealand is concerned at present, but it is a very important point and should not be overlooked. So too with reference to the rates of freight. The rates are very high at present—in the opinion of many people, unnecessarily high. Of course we do not feel the increase in the freight, on account of the arrangement I have referred to between the Dominions and the United Kingdom. The Government of the United Kingdom is, so far as New Zealand is concerned—and the same applies to Australia—responsible for carrying the meat from those countries to this side of the world, and of course the freight is paid by them. But I do hope that when a change takes place something will be done to see that the freights are reduced to a reasonable amount. The trade simply could not stand the freights which are being charged at present. It would be ruin to attempt to carry on under such conditions.

Then there is a point arising out of that, and that is with regard to the prices which are being charged in the United Kingdom at the present time for meat imported, say, from New Zealand. It may be said, of course, that we have nothing to do with that. I do not quite admit that. I hold in my hand a document which has been supplied to me by a gentleman who is not connected with the trade, as a matter of fact, but who, as part of his duty in connection with the position he holds, found it necessary to purchase a quantity of New Zealand meat just recently. The wholesale price was 1s. 1½d. per lb. In his communication to me—and I have looked through his figures and believe them to be absolutely correct—he points out that the average price to-day in New Zealand for mutton is about 5½d. per lb. He points out that all the costs—freight, insurance, landing charges, and agents' commission—bring the cost to the British Government up to 8.409d.—that is less than 8½d. per lb. Well, if his figures are right—and I cannot find a flaw in them—then there is a very large profit accruing to the British Government on this purchase of meat. Either we are not being paid enough in New Zealand—and I do not suggest that—I think

Mr. MASSEY.—*cont.*

we are being paid a fair price—or else the British consumer is being charged too much. There is the position, so far as I am able to see it from the document supplied to me. And this has caused a certain amount of dissatisfaction in New Zealand. I was able to tell them last session when the House met that a better arrangement was being made, but member after member raised the point in the House, that while there was no objection to the price which was being paid to the New Zealand producer, or exporter, too much was being paid by the consumer in Great Britain. I hope now that the attention of the proper authorities will be called to this point, and that it will be looked into.

Then I come to the fourth Recommendation under the heading "Oversea Transport": "The use of British insulated ships so as to give a priority to meat produced within the Empire, subject to the suitability of the ships for the service proposed and to the need for bringing to the United Kingdom a full supply of beef." Beef is especially referred to, and let me say this follows up the theory of preference, in which most of us have become very strong believers. I do think that British citizens should have the first claim upon British ships, and especially British insulated ships, particularly in connection with the conditions likely to exist during the transition period.

Then the fifth Recommendation under the same heading says: "When Government control terminates, shipowners should be forbidden to charge differential rates on refrigerated produce to large and small shippers at the same time for the same service; shipowners are also recommended then to fix rates from time to time in consultation with groups of shippers, with, where necessary, the friendly assistance of the Government concerned." The point referred to here has led to a very great deal of friction and dissatisfaction in meat-producing countries in the past—the fact that shipowners were able to make arrangements with large producers, with dealers in meat, so that their carcasses, their meat, should be carried at a lower rate than meat belonging to the small man who shipped direct to his agent in London. I think anything of the sort should be avoided. I am in thorough sympathy with the object of this recommendation, and I hope again it will be given effect to. This raises again the question of interference with business men. As I said just now, I am not a believer in Government interference unless it is absolutely necessary. I believe that in nine cases out of ten private individuals can carry on a business better than the Government of the country. But where the business is of national importance—and this meat business is undoubtedly of national importance—then I think some supervision on the part of the Government, whether the British Government or the Government of the Dominions, or both, probably both, is necessary. In the United States of America, and I think in Canada too, they have a Commission whose business it is to look after rates of freight, both on railways and in connection with shipping. You have never attempted anything of the sort in the United Kingdom as far as I know, and up to just recently we have never attempted anything of the sort in New Zealand. I believe they have an authority in Australia which makes it its business to look after this sort of thing occasionally, but I do not think that any one of us has gone farther than that. And I do think there should be something in the way of an Inter-Empire Commission arranged to look after rates of freight charged by shipowners, not only in connection with meat, but in connection with other commodities carried between the Dominions of the Empire and the heart of the Empire itself. The mere fact of supervision, even if we go no farther than that, will be useful—and, by the way, I have a Motion dealing with the subject which, I hope, will come up for consideration before the Conference comes to an end. I believe something of the sort is necessary and ought to be taken in hand. A body such as this Commission would not only regulate—and the effect of supervision would be to regulate the rates of freights, and passengers' fares for that matter—but it would be an encouragement, on the other hand, for shipowners to keep abreast of the times, and provide ships of the speed and tonnage required. I think it would be a very good thing, and I express my opinion so that the Board of Trade may consider it if they feel inclined so to do. I think the importance of the subject warrants something of the kind being done.

Mr. MASSEY: Referring to what has been said by Mr. Hughes, just let me say, that, as a rule, I am not a believer in Government interference unless such interference is shown to be absolutely necessary. I believe such interference was necessary during the present war, and may be necessary during what is often referred to as the transition period, and perhaps even longer than that. It is the duty of any Government to prevent exploitation of its citizens, and there is the danger which has been referred to by Mr. Hughes—the danger of the exploitation of producers in the producing countries, and the exploitation of consumers in the consuming countries.

Mr. HUGHES: Hear, hear.

Mr. MASSEY: And I am inclined to think the danger at this end—that is, the exploitation of the consumers—is even more serious than the possibility of the exploitation of the producers at the other end, especially in British countries.

Now, I understand that the objects of the Resolution and of the Recommendations of the Committee* were intended to meet the difficulties which I have referred to, and which were previously referred to by Mr. Hughes. I want to say that I appreciate the work which has been put into this question by the Committee. I have looked through their Report and, speaking generally, it is a good Report. There are evidences in the Report of intense application on the part of the Committee. I may not agree with the whole of the Recommendations—I shall come to some of my objections presently—but I want to say, while I am on that point, that I also appreciate the candour of the President of the Board of Trade, Sir Albert Stanley. It is better to be told exactly what is in the mind of the Board of Trade, and then the members of this Conference know exactly what they have to deal with, and that is the position now.

Mr. HUGHES: Hear, hear.

Mr. MASSEY: Now, so far as the recommendations of the Committee are concerned, just let me deal briefly with one or two of them, and then I shall come to some other points in which we are concerned from the New Zealand point of view. I am sorry I shall have to quote part of the Report, but I am afraid I cannot avoid doing so. I will turn to page 10†, at the foot of the page. I do not think it is necessary for me to deal with the question of "Development of Sources of Supply" there referred to, but I come to the first recommendation under the heading of "Oversea Transport," where the Committee say:—"The speedy completion of "insulated steamers now under construction or on order, and the grant of priority "during the first five years after the war for the construction of insulated steamers "for British owners, sufficient to carry the imported meat required by the Empire "and the Allies"—and they refer to paragraph 33 (a); this is one of the Recommendations which is summarised, and I may say I thoroughly agree with what is recommended here. One of our difficulties, especially during the war period—but it was a difficulty which was experienced to a certain extent before the war broke out—was the insufficiency of insulated steamers for the purpose of carrying our meat products to the United Kingdom. As a matter of fact, we send very little meat to any other country but the United Kingdom itself. A little goes to the West Coast of America, but very little compared with what comes to Britain. After the outbreak of war, I think it was in the beginning of 1915, an arrangement was made between the Government of the United Kingdom and the Government of New Zealand to take over, for the purposes of the British Government, the whole of our export of meat; and I am bound to say that the arrangement has, on the whole, worked very well. There have been complaints, of course, and defects have been pointed out from time to time to the Government of New Zealand, and the British Board of Trade and those working in connection with the British Board of Trade have endeavoured to remedy the defects. But the big difficulty has been this—the insufficiency of the supply of insulated steamers.

Just let me call your attention to the position as it is to-day. It was pretty bad at the commencement of last season—I am bound to admit that—but we got on very much better as the season advanced than we had reason to believe we should at the

* See pages 279-290.

† See p. 289 of this volume.

Mr. MASSEY—*cont.*

commencement. The Argentine season, as it is called, came to a close, and steamers which were carrying meat from the Argentine were released, and were thus able to carry meat from Australia and New Zealand. I may point out, in passing, that the export of meat from New Zealand has, for some years past, been second in the world. Argentine has been first, New Zealand second, and Australia third. No doubt Australia will come along with a larger supply presently. Very well. The position in New Zealand at the present moment is this. When my colleague and myself went back to our country at the end of the Conference of last year, we saw that there was likely to be considerable difficulty with regard to this branch of trade, and we recommended that the owners of frozen meat works in different parts of New Zealand, of which, I think, there are 48, should, wherever possible, increase their storage, and we arranged that if they wanted capital for the purpose, the Government should advance part of the capital required. Our advice was followed and the storage was increased, but even now we are up against this difficulty. Here we are in the off season, fortunately, but we are looking forward to the commencement of next season, and our stores are absolutely full. I do not think there is room for another carcass in any of the cold stores in New Zealand. We have storage for five million carcasses, and there are five million carcasses ready for shipment now. I do not say we are not getting any away; every two or three weeks a ship comes along and takes a few, but the supply of shipping is totally insufficient to deal with this immense accumulation.

Mr. COOK: We think you get our ships.

Mr. MASSEY: Yes, I know, but we will not squabble about that in the meantime. Not only is that the position with regard to meat, but there is an immense quantity of butter which requires frozen storage, and of cheese, which requires cool storage. There is the difficulty we are up against, and I am afraid the position in New Zealand, from the point of view of getting our provisions away owing to the scarcity of shipping, and owing to the fact that the shipping is required by the British Government for more urgent purposes (and on that point I am afraid I must agree), is such that I do not see how we can possibly get our products away during the coming season. We shall be able to get part of them, but I do not see how we can possibly get the whole away, unless a very great improvement takes place in the supply of New Zealand shipping. And it is not necessary for me to say that ships are not built in a day. New ships are being turned out gradually, but those which are being turned out are mostly ships which are not suitable for carrying New Zealand meat or dairy products, or other products of that sort. It is a difficulty of national importance, and it should be remedied as soon as it is possible to do it. I am optimistic enough to think that probably an improvement will come along in a few months, but we have to face the commencement of the season, and our season really commences in August. I do not think there will be serious difficulty before the middle of September, but unless something is done then there will be serious difficulty. And let me point out in passing that this affects not only people especially connected with the meat trade—not only the producers in New Zealand and the people who deal with it before it reaches the Imperial Government, but other classes of the community. It affects our ability to carry on the war, because if we do not get our supply of meat away we shall not be able to finance our share of the war in the way we have been doing in the past. Nothing could be more serious, from the point of view of New Zealand, than the scarcity of shipping which unfortunately exists. I trust the President of the Board of Trade, Sir Albert Stanley, will take this matter up with the Shipping Controller, and, while I know that they cannot do impossibilities, I hope they will do everything they can to give New Zealand and Australia—what is now referred to as the Australasian trade—the opportunity of getting their products away to the British markets, where those products are urgently required under existing circumstances.

What I have said with regard to the first Recommendation under the heading "Oversea Transport" covers, to a certain extent, the second Recommendation under that heading, "The prohibition of the sale or transfer of British insulated ships "to foreign control during the reconstruction period except with Government "permission." I trust this will be given effect to.

Mr. BURTON—*cont.*

admit legislation is necessary, that is, legislation to control imports and exports, and, after all, that is the only thing that there is. And this legislation which, I am perfectly certain, even during the reconstruction period, well-disposed people will do much towards, they will not swallow, they will give no Government power to say "You may or you may not send your goods here and there."

Mr. HUGHES: Why?

Mr. BURTON: Because they are independent folk, and do not like interference with their business.

Mr. HUGHES: That is a reflection on Australia. I wish you could deal with the people there; you would think you had got amongst a lot of helots.

Mr. BURTON: But these helots of ours will not take that, I am sure. It is not practical business.

Mr. HUGHES: What I want to point out is that, after all, it is not whether they are independent people of independent ideas; the question is what they desire. Do they desire to build up the resources of the Empire, to assist it, or not? If they do not, I can understand it. If they do, where is the objection to the necessary means to give effect to their desire?

Mr. BURTON: The answer to that is, I believe, the great bulk of the people do desire it, but while they desire it, they are not prepared, legislatively, to compel others to do the same.

Mr. HUGHES: Looking at it entirely from the commercial point of view, what do they lose?

Mr. BURTON: If you can show them they will lose nothing, they will do it.

Mr. MASSEY: I think Mr. Burton has given the matter, as it concerns South Africa, very candidly. I do not see in that an objection to the Resolution.

Mr. BURTON: I have no objection to the motion.

Mr. MASSEY: That is what is before the Conference.

Mr. HUGHES: I shall not press my suggestion at all if it will embarrass Mr. Burton or the representative of any other Dominion. I put it forward because I conceived it to be, on the whole, fairly expressive of our ideas; but if it does not do that, I will withdraw it.

CHAIRMAN: Thank you. Then, may I put the Resolution in its original form? that this original Resolution be adopted by the Conference.

[Agreed.]

Imperial Meat Supplies.

CHAIRMAN: Now we resume the discussion on meat, which was commenced at the last meeting by the address delivered by Sir Albert Stanley, in support of the next Resolution, which is: "The Conference welcomes co-operation among the Governments of the Empire on the general lines recommended by the Committee on Imperial Meat Resources to ensure that the Empire shall become, as far as possible, self-sufficing in the matter of meat supplies, and recommends the detailed examination by the Governments concerned of the legislative and administrative measures required for this purpose." Does any member of the Conference desire to address us on the Resolution and the arguments advanced by the President of the Board of Trade.

Mr. MASSEY: I suppose that, following the usual custom, Canada and Australia come first. I think it is for Canada and Australia to give a lead.

Mr. HUGHES: I have very little to say on the matter, because in its present form it has not been reduced to a practical proposition. We have not had the benefit of the advice of those whose interests are really intimately, if not primarily,

Mr. HUGHES—*cont.*

concerned. It is suggested, of course, that there should be Government interference; but I should like to know, from the lips of those who are concerned in the trade, what they think, as practical business men, with regard to the suggestions put forward. In its present state the trade is in great danger from many directions, from many sources. No doubt American penetration, as it is termed here, has gone a good way. In Australia I suppose you know what they have done. The American meat companies are ousting the local meat companies; they have control now over many stations—"ranches" you call them in Canada,—and control over many meat works. They have considerable influence in our commercial life, also over those who control the refrigerated tonnage. In fact, it is difficult to say where their influence ends. I feel perfectly sure that if they go on for another ten years, then for all intents and purposes the stock-raising industry, at all events the beef-growing industry, will be manipulated, controlled, and directed for the benefit of Armour, Swift, and Morris. As matters stand at present, I think the thing is compassable. I do not think the Meat Trust in Australia will ever get the hold it got in America, for the simple reason that political conditions are such as to preclude it. But it will be absolutely disastrous to the Empire if it permits that control—now more or less embryonic but still formidable—to develop. And you can deal with that only as a practical business proposition, by putting yourself, or an agency of the British Government—that is to say, some of those persons who handle, who really retail or wholesale meat to the trading public—into direct relation with the meat producer of Australia. Let there be no middle-man. Let us know exactly who you are, how much you want, the price you propose to give for it; let that be determined by the cost of production and the higgling of the market. Let us have means to develop our meat industry, and the market will do that at an assured price. Let us have additional cold-storage plants in Australia, meat works, and above all, ample refrigerated tonnage at our disposal. And lastly, but not least, control of the meat at this end. Now, Mr. Massey, the circumstances of New Zealand with regard to meat may be said to be identical with those of Australia, at least for this particular purpose. And we have control—I do not speak of Governments, but the people have control—apart from the American penetration, over the meat at that end. I do not say that control is systematised or organised. We have control, or can get it. But here, in your midst, the American is active; he has control of the meat, wholesale and retail. It amounts to this: that you may do practically what you like; you may develop flocks and herds on the other side and keep them out of the control of those companies; you may have your refrigerator tonnage and bring the meat overseas, but if you have Armour and Company operating over here, you are no better off. They determine the price of meat here; you cannot give for the meat more than they get for it. And if they can "bear" the market here, or "bull" it, as they choose, then all your efforts are in vain there. You have got to get both ends of this problem in your hands. And I think the best way to do it is to let us hear what those whose bona fides is beyond doubt—and I speak of bona fides in reference to people whose interests are those of the Empire and not of any country outside the Empire—let us hear what these business meat men think ought to be done to secure complete control of the British market. Let us hear from the meat producer what he thinks, what he is prepared to do. What needs doing to help him is pretty well known. You have got to say "Well, we will take your meat." There is an ample market for it, it is not as if you were embarrassing yourself or taking a surplus which cannot be helped. There is the market, and you have to make up your mind—you cannot have both things—you have to make up your mind whether you want Australian meat, or New Zealand meat, or Argentine meat. You must make up your mind whether you want to encourage Imperial trade more than trade with the Argentine. When you have done that, then the thing is compassable. And I submit that the meat trade, although it is of tremendous importance, is one which can be dealt with in a business-like way, provided the Government are prepared to vest in the hands of somebody sufficient authority to deal with it in a business-like way.

Mr. MASSEY—*cont.*

Then the sixth Recommendation under the same heading, "Oversea Transport" deals especially with the conditions existing in South Africa. I do not pretend to understand the conditions there, but I have no doubt this subject will be referred to by the representatives of South Africa who are present.

Then we come again to the next heading "Supervision of Production and Distribution." The first Recommendation here is with regard to "the licensing of freezing works and cold stores, subject to the reservation where required, of part of their space for custom trade; to the approval by the Government concerned of the rates for killing, freezing, and storing; to the prohibition of special rebates; and to the furnishing of statistical returns." Well, we in New Zealand are doing all this at present, but in one respect I think we shall have to go a little farther with regard to licensing and consequent control of freezing works and cold storage. Most of our works in New Zealand are co-operative works; that is to say, they belong mostly, if not altogether, to the producers; and we provide, by legislation, that before those works can be used for the purpose for which they are intended—freezing, slaughtering, and so on—licences must be obtained from the Agricultural Department, which has supervision of this kind of thing. But I think, on account of the menace which was referred to by Mr. Hughes and of what has taken place in Australia and the Argentine, the fact that some of these works in Australia have passed under the control and ownership of the Meat Trust, and that in Argentina nearly the whole of these works belong to American companies, I think it will be necessary, in view of that, for New Zealand to go farther. And before coming to England I left instructions for a Bill to be drafted which will give further power to supervise these works. The Bill had not taken permanent form before we left New Zealand, but I have no doubt it will be prepared in time for next session, and we propose to ask Parliament to give us still further control, with the object of preventing the Meat Trust from obtaining a footing in New Zealand, such as they have undoubtedly obtained in Australia, and have undoubtedly secured in the Argentine.

Then Recommendation 2 under the same heading refers to the licensing of meat exporting companies or firms. I think that is necessary, especially necessary on this side of the world, in Britain. It may be necessary for us to do something of the sort in New Zealand, but it is not so necessary as is the licensing of freezing works and stores. But it is necessary to know who are the people who handle our meat on both sides of the world. I do not know the object of the third Recommendation under this heading, that a Dominion or State Government should acquire or control "one or more meat works should occasion render that course desirable." I think on the lines we are following in New Zealand it will not be necessary to do this, but if it becomes necessary, I for one would have no hesitation in accepting that Recommendation of the Committee.

Then the fourth Recommendation under this heading refers to "the continuation, during the period of reconstruction, of the system of State purchase of the exportable surplus of meat which has been in existence in Australia and New Zealand, and its possible extension to other Dominions producing meat." This I think is necessary if there is going to be a system of State control, and if the British Government is going to purchase meat from Australia and New Zealand. Then I think it will be necessary also to purchase meat in the British market from other Dominions producing it, or else we shall have this state of things arising in the British market—our meat arriving from New Zealand and Australia being under control at a price fixed by the State, and meat from other parts being sold in the open market, possibly—I do not say probably, but possibly—securing a larger price, and thus causing serious dissatisfaction to the people we represent. I think anything of that sort should be avoided. We should all be placed in the same position. And there is another difficulty here. I have not noticed any recommendation with regard to the meat supplied from the Argentine during the transition period. Now this is what occurs to me, and I do not doubt it has occurred to the Committee. I may have overlooked their recommendation with regard to it, but this is what occurs to me. During the transition period it is intended to keep control of the meat from the Oversea Dominions. Now what is intended with regard to the meat from the Argentine? Is it intended to allow that to go upon the open market and to

Mr. MASSEY—*cont.*

allow people to get the highest price possible for it, while at the same time we are only allowed to get the controlled price? I hope that is not intended, because, if so, it would cause very serious friction among the whole of the people of New Zealand, and I know the conditions in Australia are very much the same as the conditions which exist in our own country. I hope this will be avoided. I hope that the Argentine meat, if control is going to continue to be exercised, will be placed upon exactly the same basis as meat from our countries.

Then, reference is made under the heading "Government Control in the United Kingdom" to the licensing of importers of meat. This is within the United Kingdom, and, perhaps I have no right to interfere with that, except just to express the opinion that I believe it to be even more necessary here than on the other side.

Then I come to the second Recommendation under this heading, "During the reconstruction period the control by the Imperial Government of the distribution of the meat purchased from the Dominions. The meat should be distributed through the ordinary channels of trade, the 'importing houses,' and wholesale houses working subject to conditions laid down by the Government, and at fixed rates of remuneration. Wholesale prices should bear a proper relation to the prices of Plate meat" (that is meat from the Argentine), "and any resulting profit should be divided between the Imperial Government and the sellers of meat in the Dominions." Well, I think this proposal wants to be considered very carefully. It really has a bearing on the point I raised just now—that is, the question of placing meat from the Argentine in the same position as meat from the Dominions of the Empire. "Supplies of meat may be refused to traders who exploit the consumer." Well, I do not think the trader should have the opportunity of exploiting the consumer.

Then comes another heading, "Control of South American Meat Supplies." The Committee recommend "The guarantee to purely British meat companies operating in the Plate of a fair return on their capital, the surplus above that rate and below a fixed maximum being shared equally between the companies and the Government. In return, the companies would be required to terminate their engagements with the other meat companies and place themselves under the control of the Imperial Government, producing meat in quantities specified from time to time, and placing it on the market under specified conditions."

That, I think, for my purpose may be taken with the next heading, *i.e.*, "British Development of New Countries," as to which the Committee recommend "The encouragement and assistance of British companies to build meat-works in Brazil or other good cattle countries, subject to the conditions of control specified in the preceding paragraph." Well, I am not quite sure about that, especially the latter part of it. I do not think that is following the theory of preference. I am not going to raise that point just now, but the point I want to raise is this. The representatives of all the Dominions will agree with me, I am sure. I am sorry the representative of Australia is not in his place for the moment. I am quite sure the Dominions of the Empire, if given sufficient opportunity and encouragement—and they would not require very much encouragement—can produce all the meat required within the Empire. I can speak for my own country, which is the smallest of the Dominions, and I have no hesitation in saying that within a very few years, with a little encouragement—I am not speaking of Customs, taxation, or anything of that sort—but by making it evident to the producers and producing public, which includes all the farmers, that a good market exists for their meat, we can within a very few years easily double our output. And I am quite sure that Australia could do the same, perhaps even more easily than we can. There is always the difficulty in Australia about droughts coming along and interfering with production, but apart from that difficulty, I believe Australia can multiply its production many times. And so can South Africa. I have noticed what South Africa is doing. South Africa is going to increase her production very greatly during the next few years. It may be a selfish point of view—I do not think it is—but I do not think it is necessary for the British Government to go outside of its own Dominions, to go away from its own citizens,

Mr. MASSEY—*cont.*

and encourage the production of meat in countries which are not in the British Empire, or under the British Flag, and never will be.

Then with regard to the heading "Supply of Meat to parts of the Empire other than the United Kingdom," where the Committee say "The supply of meat from the Dominions to parts of the Empire other than the United Kingdom should be settled by negotiation between the Governments concerned." Of course, I realise that the first object of the Government of the United Kingdom is to supply their own people with the meat they require, and it is also certain that there will be a market in Continental countries when the war comes to an end for a proportion of our meat. I do not think there is any doubt about that. The Committee deal with it under the heading "Trade between the Empire and Foreign Countries." Even before the war France had made arrangements for importing meat from meat-producing countries, and they were importing a comparatively small quantity from the Argentine; but during the war a very large section of the population have had experience of meat from the Dominions, or from oversea countries let me say, and I do not think they will be satisfied to go without. I know it becomes a question of capacity to purchase, but there is no doubt in my mind but that there will be a market in France and some of the other Continental countries for part of the meat produced on the other side of the world, and if after we have supplied our own requirements there is sufficient to meet the demand on the continent of Europe, then I do say an effort should be made in that direction.

Under the heading "Subsidiary Questions," reference is made by the Committee to "the establishment of a satisfactory system of grading of meat in each of the exporting Dominions." I may just say, so far as New Zealand is concerned, we have such a system in existence there, and I think it is as near perfection as it is possible to get. Every animal is inspected before it is allowed to be slaughtered, and inspected by competent men, and in almost every case we have proper veterinary surgeons for the purpose. After the animal is slaughtered, the carcass is hung up in the usual way in the store, and before being frozen it is again inspected by thoroughly qualified men, who have had to pass an examination for the purpose, to ascertain whether it is thoroughly sound; and where the carcass is not found to be sound, it is at once condemned and sent to the boiling-down works. So with any animals found diseased before being slaughtered; they are condemned, they are slaughtered; the hides, and so forth, are used for the ordinary purposes, and the carcasses are sent to the boiling-down works. So that all possible care is taken to prevent anything which is diseased in the slightest degree from being used for the purposes of human consumption.

I do not think there is anything else to which it is necessary for me to refer. I am afraid I have taken up more time than I should have done; but my reason for doing so is simply this—that this is a most important matter for the whole of the Dominion which Sir Joseph Ward and I represent. The production of meat is our most important industry. That is indicated by the fact that we have now, I think, 48 freezing works in different parts of the Dominion, and anything we can do to encourage it, and at the same time to make things more satisfactory at this end among the consumers, I think should be done; and I hope the Board of Trade will take some little notice—as I have no doubt they will—of the suggestions I have been able to put forward.

Mr. MEIGHEN: Mr. Long, my remarks will be very brief. The subject has two phases or, at all events, the discussion has. The protection of our various countries from exploitation by the American Beef Trust is, one would think, the one in which we are naturally most concerned, because we are just adjacent to that republic. This Trust has not attained the stranglehold that was feared at one time, and while much can be done, particularly in the United Kingdom, in the way of controlling the market, we will have to deal with the problem in the light of local conditions, and we feel capable of dealing with it efficiently.

As to the Resolution before the Conference I am not very enthusiastic about it. I do not see very much in it for the Dominion of Canada. It has nothing in its main contents that one could take exception to—nothing specific. We have had to fight

Mr. MEIGHEN—*cont.*

our battles single-handed up to now in the matter of our cattle and meat export trade, and I do not see very much to look forward to, except to go on fighting in the same way, so far as the Report of the Committee is concerned. The Report and the efforts of the Committee have been directed, as was proper, towards the securing of an adequate meat supply properly controlled—the ensuring of it to the British Empire, or rather to the United Kingdom. That is really the purpose that has animated the Committee, and it is towards that that the recommendations in the Report are directed. The living up to the recommendations here will not go far, in my judgment, towards making the Empire itself self-supporting in meat supplies. We compete principally with the Argentine in beef shipments—with the Argentine and South American countries—and we are going to have to compete just the same. This Committee looks to enhancing the importations to the British Islands of Argentine meat and of beef from other competing countries which have climatic advantages over ours. I might quote a few words from the Report in this regard. Turning to paragraph 8, the Report refers, as far as Canada is concerned, merely to the matter of store cattle. I do not wish to bring that subject up because an understanding has been arrived at regarding it. We have, however, especially during the war, done a great deal to supply the British Isles with meat. No reference is made to that.

In paragraph 9 the following sentence appears:—"In so far, however, as development of the meat industry depends on the supply of railway and other material and plant from the United Kingdom, we recommend that, after the war, priority should be given to the needs of the various parts of the Commonwealth" (of Australia) "and of the Dominion" (that is New Zealand) "over demands coming from other sources." That is rather narrowly worded, I think. I do not know whether it was intended that priority is to be given to those countries over the other Dominions.

But coming to paragraph 17, these words appear: "So far as the United Kingdom is concerned the problem is not alone one of increasing the aggregate output of the Argentine Republic and Uruguay, but of securing control of a larger share of the trade, and that problem will be considered later." Then in the next paragraph (18) the following sentence appears: "In view, however, of the rapidity with which Brazil is being opened up, the problem of promptly securing for British companies an adequate share in that development must be considered with the similar problem in other parts of South America." Proceeding to paragraph 33 of the Report, there is a reference there, but before I refer to that perhaps I should go on to paragraph 51: "The encouragement of the opening up of new sources of supply by British capital should also engage the attention of the Imperial Government, especially in the case of Brazil." And at the end of the paragraph: "We strongly urge that the Imperial Government should encourage and, in case of need, assist British companies to build meat works in Brazil or other good cattle countries, subject to the same conditions of control of production and distribution as those suggested for the support of British companies in the Argentine." Paragraph 48 previously says: "The great bulk of imported mutton and lamb will be obtained from Imperial sources, but, as has already been pointed out, the United Kingdom is and must continue for some time to be dependent on foreign countries, principally the Argentine and Uruguay, for the great bulk of its imported beef supply. The main problem is how to act so as to strengthen British companies against undue foreign competition and to protect British markets at home from foreign control." As I said at the first, this is a problem which confronts the British Isles, and we can take no exception to the British Government seeking to solve it, and to ensure as the primary consideration that there is a supply. But it is difficult for me to see how much such efforts can sail under the flag of ensuring the self-sufficing power of the British Empire with regard to meat. I may say, that just in proportion as the efforts in the sentences I have quoted succeed, to the same extent the sources of supply in the British Dominions diminish, particularly in Canada, which competes with South America. To the same extent the process that very greatly discouraged the shipment of beef and of cattle during recent years will again succeed, and the Empire, instead of becoming self-sufficing, will become dependent upon this

Mr. MEIGHEN—*cont.*

extraneous source of supply. In paragraph 33 there are these words, though, on the other side of the picture: "That all insulated steamers at present under construction or on order should be completed as speedily as possible, and that during the first five years after the war priority should be given for the construction of insulated steamers for British owners sufficient to convey exports of meat from the producing countries up to the amount needed to meet the needs of the Empire and the Allies." Of course, we in our country have sufficient for our use. That is no encouragement for us. It refers just as much to the Argentine as to ourselves. In paragraph 33 (d), though, the Report says, "That so far as insulated steamers are suitable for service on the respective routes, they should be so used as to give a priority to meat produced within the Empire, subject always to the need for bringing to the United Kingdom a full supply of beef." Now let me emphasise that with us it is a question of transportation, and the control of transportation. The character of the transportation is sufficient, provided you have the control, and we look forward to co-operating not only with the United Kingdom, but—as appears to us necessary by reason of the fact that our winter shipments are made to a large extent through American ports—with the United States as well, to secure that control. But this paragraph, while it reads very well, is so worded, that it seems to me that in the years that are to come it will be very difficult to get a conviction for violation of it: "That so far as insulated steamers are suitable for service on the respective routes, they should be so used as to give a priority to meat produced within the Empire, subject always to the need for bringing to the United Kingdom a full supply of beef." As I say, a violation of that would be very hard to establish, and I do not see much to look forward to in the way of assistance in that paragraph.

However, the Resolution that is before us has as its main purpose and character co-operation to make the Empire self-supporting. In that we are as enthusiastic as you. Where my enthusiasm fails is the reference in the Resolution to do so along the lines recommended by the Committee on Imperial Meat Resources. I despair of making the Empire self-sufficing along those lines. That is all I have to say.

CHAIRMAN: Does any other member of the Conference wish to speak on this matter?

Mr. BURTON: Mr. Long, I do not know whether the Board of Trade or yourself really expected that we would have a detailed discussion of this whole matter on this Report, because that, of course, opens up a very large field, and it might keep us here for weeks if we go into these detailed matters now. As far as I am concerned, I am not prepared to do that. But what I have to say is that on the terms of the draft Resolution proposed here, which I take it is before the Conference now, this draft Resolution is one which I am quite prepared to accept. It recommends "the detailed examination by the Governments concerned of the legislative and administrative measures required for this purpose." I only want to add further that it seems to me that, as far as South Africa is concerned, the examination by this Committee on Imperial Meat Resources and their ideas generally as far as South Africa is concerned, ought to be helpful in the development of what I believe is going to be really an expanding and a large supply of meat from that country. Our problem there is not, as it has been in other countries, to prevent the diversion of our products to other markets, but rather to prevent other producers from absorbing or controlling the Empire markets; and I would like to say, as far as we are concerned, the all-important question is the speedy supply of insulated ships for taking supplies from our country. That is the most important question of all, and I hope that that particular aspect of the transport question will be a matter that will receive the closest and most urgent attention both of the British Government and of our own Government.

I suppose paragraph 9 of the Report was not intended to mean what Mr. Meighen pointed out—though it certainly reads like it—as to the preference to be given to Australia and New Zealand. But I notice that paragraph 10, which deals with the Union of South Africa, says that "what has been said above as to the

Mr. BURTON—*cont.*

"supplies of material from the United Kingdom applies here also." So that I suppose we also have a preference in that respect. I hope so, because if the industry is to be developed, as I think it can be, and as I think it will be, because there are very important ranching possibilities in South Africa for the supply of cattle, and I think the supply will increase very much within the next few years, then the matter of ships and the matter of material for developing our arrangements in the Union for dealing with meat must be attended to, otherwise the whole thing will break down.

I rather agree with Mr. Meighen in that I am not altogether happy about the wording of the recommendation of the Committee in regard to insulated steamers. We cannot have our cake and eat it, and we must either decide whether we are going to attend to this matter of the development of the self-sufficing character of the British Empire and lay ourselves out for that, or take the other line. If you take the other line, the line, namely, of looking to the needs of the United Kingdom, and the need for building up British enterprise in countries like Brazil and the Argentine and Uruguay, and so on; well, then, I am pretty sure you cannot carry out the scheme which lies at the root of these proposals; namely, the idea of having your Empire as a whole self-sufficing in the matter of its meat. The two elements, of course, are somewhat in conflict with each other; there can be no doubt whatever as to that. I should think the Board of Trade will agree with me in that respect. You are bound to say you will pay more attention to the problem of making the Empire self-sufficing rather than to the other one. Apparently this Report wants to make them go together, but I agree that as it is worded here, a country like, say, South Africa, cannot extract from that Report the comfort that it would like to get; namely, that there will be a sufficiently speedy supply of insulated ships, and therefore as speedy a supply of the machinery required, as it would like to have.

Well now, I do not want to go into all the details, because, as I say, that opens up a very large field indeed, and I did not gather from Sir Albert Stanley that it was his idea that we should do that now. We know what is suggested here, and, therefore, without saying that I agree with every recommendation which is made, or that we take in South Africa the same view on every detail, I think the Report contains sufficient material for us to adopt it on the lines suggested by the resolution.

Mr. LLOYD: I have very few observations to make, inasmuch as Newfoundland is not largely a meat producing country, and we do not export meat. We are only interested from the standpoint of consumers. But it gives me an opportunity of looking at this whole matter from a disinterested standpoint, and it seems to me rather a curious matter to ask representatives of the Empire, who are met here apparently for the benefit of the Empire generally, to assent wholly to the lines of the Report on Imperial Meat Resources. Now, of course, so far as that relates to the United Kingdom, we can take no exception to such recommendations, but in so far as they relate to Brazil and the Argentine, it is hardly the thing to ask us to assent to it. And I would suggest—I do not want a vote taken now—that there should be a limitation of this recommendation, and that the Resolution should be somewhat altered. I am not asking for a vote now, because I know there are others absent. I simply put the question forward for consideration before a vote is taken.

CHAIRMAN: Are you making a suggestion now for amending the Resolution?

Mr. LLOYD: Yes, that it should read as follows: "The Conference welcomes co-operation among the Governments of the Empire on the general lines recommended by the Committee on Imperial Meat Resources so far as they relate to the Empire," and then it can go on as it is. I think we can all give our cordial support to that.

Mr. MASSEY: That simply means that we have nothing to do with what the United Kingdom may wish to do as regards South America.

Mr. LLOYD: Yes. I do not wish to make any reflection, but we can give our cordial support to the extent I have indicated.

Now there is another point. Although Newfoundland is not a meat exporting country, we are a fish exporting country, and we are rather interested in the exporta-

Mr. LLOYD—*cont.*

tion of fish by cold storage methods to the United Kingdom. And that brings me to a point which I wish to develop for a moment. The problem as referred to here in the recommendations of the Committee is regarded as one mainly of insulated steamers. Now I have found on investigating the matter so far as Newfoundland is concerned, that that is not solely the case—that a scheme has been practically held up, up to the present time, not so much on account of lack of insulated steamers as on account of lack of sufficient cold storage accommodation in the United Kingdom, and therefore it would appear to me that these recommendations hardly go far enough. While it is essential, and certainly desirable, to have the recommendations for insulated steamers, there seems to be also need of a recommendation of some further facilities for the extension of cold storage accommodation in the United Kingdom. As a matter of fact, we were told that they could take none of our fish until October, because there was not sufficient cold storage accommodation here—but that the cold storage accommodation was being extended. And it occurred to me that this state of affairs threw some light on the problem before us. That is all I have to say.

Sir S. P. SINHA: I have nothing to add.

CHAIRMAN: Does any other member of the Conference wish to speak on this?

Sir JOSEPH WARD: Mr. Long, this is a very important matter and one that has got to be looked at carefully in the different parts of the Empire. I shall not be able to finish what I have to say by one o'clock.

CHAIRMAN: Do you wish us to adjourn? Would the Conference like to adjourn now?

Mr. LLOYD: The two representatives of Australia are away, and one of them expressed the desire to me that no vote should be taken.

CHAIRMAN: We could not take a vote to-day. There must be a reply to the questions asked by the Prime Minister of New Zealand. I am not quite sure whether he desired a reply on the shipping question—I rather gathered not. He has already discussed that with the Minister of Shipping, and probably will do so again himself. There is no member of the Ministry of Shipping here to-day, but before we meet again the Prime Minister's remarks will be communicated to the Ministry of Shipping, and if they wish to say anything in reply they can. Another point raised by New Zealand is the difference between the price paid in New Zealand and the price paid here. That is a matter for the Food Department and not for the Board of Trade. Unfortunately Lord Rhondda is ill and not able to be here himself, but a representative of that department will no doubt be prepared to meet that point. Then there are the criticisms delivered by Mr. Meighen and Mr. Burton, which I think must be considered by the Board of Trade before we finally pass the resolution. And Sir Joseph Ward has his remarks to make. So that it would probably meet the convenience of the Conference to adjourn.

Mr. MASSEY: I think that would be wise.

CHAIRMAN: It would not be fair to ask Sir Joseph to begin now and then to interrupt him for the adjournment.

Sir JOSEPH WARD: I presume the discussion will be finished before these other gentlemen make their remarks?

CHAIRMAN: Oh, yes. If we adjourn now, we adjourn with you in possession of the house.

Sir JOSEPH WARD: I do not suppose I shall be very long, but I cannot limit myself.

Order of Business.

CHAIRMAN: Then I take it, it is the wish of the Conference that we adjourn now. Then the next Resolution is one which deals with wool. Does the Conference desire to discuss that? It will ultimately have to go to the Committee on Raw

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Materials, but do they wish to discuss it in general before it goes to the Committee? If so, we will keep it on the agenda until the next meeting.

Mr. LLOYD: I would suggest that we discuss matters in general before any specific matters are referred to the Committee. Take our experience to-day. We have spent three-quarters of an hour in re-discussing matters which have previously been discussed at length by the Committee.

CHAIRMAN: I think that three-quarters of an hour would have been three hours if it had not been for the work of the Committee.

Mr. LLOYD: Possibly, but some of us do not feel that way. We feel that we are spending time on sub-committees and coming here to discuss them further. It may be unavoidable, but that is how we feel.

CHAIRMAN: I think the time spent here would be much longer, but for that. The Committee does clear away a great deal of difficulty.

Mr. BURTON: The Resolution we passed this morning on raw materials surely now covers this wool business. We cannot go into this particular wool report² now, because we are going to ascertain methods of obtaining command of these supplies, and then we are going to refer these methods to the various Governments. And that seems to me to meet the wool matter splendidly.

Mr. MEIGHEN: The Committee referred to in that second paragraph of the Resolution passed to-day is the Raw Materials Committee?

CHAIRMAN: Yes, the view I was myself inclined to take—I have no right to offer it to the Conference dogmatically—was that the Resolution already passed in regard to raw materials by the Conference covers everything under that head, and provides machinery and procedure which would seem to obviate the necessity of discussing the raw materials resolutions seriatim.

Then we adjourn now until Monday, July 8th. The Committee meets on Friday July 5th—to-day week.

* See pp. 269-276.

SEVENTH DAY.

Monday, 8th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 3 P.M.

The names of those present are printed on pp. 64-65 of [Cd. 9177].

Address to their Majesties the King and Queen on the occasion of their Silver Wedding.

(See pp. 65-68 of [Cd. 9177].)

Order of Business.

(See pp. 68, 69 of [Cd. 9177].)

Imperial Meat Supplies.

SIR JOSEPH WARD: Mr. Long, this matter of Imperial meat resources is a very important, as well as a most difficult, one, and I should not like the opportunity to pass without at least putting on record my view on some points connected with it, some of which, I think, will hereafter cause a very great deal of trouble if parts of the proposals which we have here are put into operation. I want to make it clear that, during a time of war, it is a comparatively easy matter for the Government at the heart of the Empire, through the Governments in the outlying portions of the Empire, to make arrangements for the purchase of meat for war purposes, to help on towards victory in a great war, much easier than it is to have arrangements of that kind continued in a time of peace. And I am rather apprehensive of what is suggested in some of these proposals. Our sheep-growers have shown a magnanimity in connection with this business that redounds very highly to their credit. They came into line without any difficulty whatever, very largely out of feelings of loyalty to the Empire, with the object of assisting the Empire, and contracted for the sale of their products at a price recognised by everybody to have been anything but a high one. There may have been different reasons actuating the great body of these men in that respect, such as the difficulty over the control of shipping. But the fact remains that in a war period they not only did not stand out for high prices, but they came in in a way—so far as New Zealand is concerned, and I have very little doubt it applies to the other countries too—that was most creditable to them. And many of the sheep-growers showed a spirit, in the respect to which I am referring, that I think ought never to be forgotten in connection with the affairs of this Empire during the time of war. I repeat that it is a very easy matter during war time, when the spirit of the whole Empire is one, to have arrangements made for the purpose of meeting abnormal conditions, that in times of peace would prove most unsatisfactory to many of those sheep-growers who have come into line in the way I have just indicated. I want to try and make that point as clear as I can.

Just before this war started, for the first time in the history of New Zealand, the sheep-growers discovered that there was a better market than England—and not a Continental market—for their sheep. And but for the war having begun and

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IMPERIAL MEAT SUPPLIES.

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existing now, this country to-day would have been paying under competition a much higher price for its meat than it is paying in the war period to the countries to which I have referred. The United States of America, prior to the war, for the first time in its history, imported, through London, a considerable portion of our frozen mutton. And it is quite well known to responsible men here, as it is in our country, that when the consumers in the United States of America realised the quality of that meat, they paid a higher price than our meat growers could get in England. The development, as the result of the war, in the United States of America itself, is going to have a very far-reaching effect on the over-sea countries, and upon Great Britain, when this war is over. The Americans have recently gone in whole-heartedly for ship-building—as has Great Britain and other parts too. But in regard to us in the Southern seas, when this war is over it does not seem to me to be a fair proposition for those who are responsible for this very able report—and I compliment those who are responsible, for it is an able report—to tie sheep-growers or beef-growers in any of these over-sea countries after this war is over by entering into a bargain to sell for a period of years to this market here at a lower price than they can get elsewhere. Our business in export countries is to look after the business of the growers. The business of the people in the British Isles is to look after the interests of their consumers. We have nothing to do in peace times with the business of considering the consumers in England; that is a duty devolving upon the British Government, or the British Authorities. We have everything to do, in our country, in securing that our sheep-growers, who have acted a fine part in this war, and are willing to continue doing it until the end of the war, should be free, so long as we are able to regulate matters in regard to trading with enemy countries, to trade with any country they like, that those who offer the highest price should be able to get what they have to sell.

I want to call attention very briefly to what is proposed in this Report. There is the resolution which is quoted in paragraph 1 of this Report which reads: "This Committee was appointed as the result of a Conference convened by the President of the Board of Trade to consider the best means of giving effect to the following resolution passed by the Imperial War Conference of 1917: 'In view of the extent to which the United Kingdom and certain other parts of the Empire are dependent on over-sea supplies for meat, and of the desirability of freeing British markets from excessive dependence on foreign organisations which control important sources of supply, this Conference is of opinion that there should be co-operation between the Governments of the Empire to ensure that the Empire should become as far as possible self-sufficing in the matter of meat supplies, and that the Governments concerned should prepare detailed plans with this object.'"

Mr. COOK: That was penned before the entry of the United States into the war.

Sir JOSEPH WARD: No, I think it was after the United States came in. I want to call the attention of the Conference to paragraph 42 of this Report as bearing on my remarks and the Resolution. Paragraph 42 says, "In these circumstances we suggest that it might be advisable that, during the period of reconstruction, the system of State purchase of the exportable surplus of meat, which has been in existence for the last three years in Australia and New Zealand, should be continued and extended to the other Dominions producing meat. This would require the consent and co-operation of the Imperial and Oversea Governments, and involves the question of the distribution of the meat in the United Kingdom or other importing portions of the Empire, and also the allocation of part of the supplies to other countries." Now, just let me call attention to the fact that that Resolution quoted in paragraph 1 makes a special point of the desirability of freeing British markets from excessive dependence on foreign organisations which control important sources of supply. At the same time, another portion of this Report states rather further on—paragraph 50 of this Report says, "In our opinion the most effective methods of securing an adequate share of the South American meat supplies for the United Kingdom are either the establishment of meat works owned by the Imperial Government, or the strengthening of British companies at present operating there. Proceeding on the accepted method of utilising existing institutions, we propose that the Imperial Government should guarantee to all purely British companies (including Vestey Brothers, Limited, if they made such

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"arrangements as would ensure that their works were fully under British and not under foreign control) a fair return on their capital. In return, these companies would be required to terminate all their engagements with the other meat companies, and to place themselves fully under the control of the Imperial Government. They would be bound to produce meat in the quantities specified, and to place it on the market under specified conditions." I want to call the attention of the Conference to the position after the war that we are going to get into. This Resolution of last year's Conference proposes that the British market is to be freed from foreign control in connection with meat. There is not a proposal in this Report, from the beginning to the end of it, excepting the suggestion that there should be investment in Argentine works, there is not a proposal to control, directly or indirectly, the importation of beef into this country from great American meat factories. There is not a proposal of any sort or kind that is going to enable any of the men who are selling their sheep to the British Government to get portions of the American beef at a controlled price, except such portions as may be got by the assistance given to an Argentine company. What position are we going to get into? I may be wrong in my assumption, but I do not think I am wrong; we are going to get into this position. That the men in Britain who may control some, or all, of the meat supplies that they are importing now, outside the great American beef exporters from America and importers here, those men are going to be put under the control and at the mercy of the great American meat exporters. You are going to say to the British people that the British merchant is not to have supplies of any kind from the overseas countries or from the American beef exporters, if you give effect to what is proposed under paragraph 50 of this Report. The Report suggests that the British Government, or the British Board of Trade, will have the right of control of sale to any other country—to France, to Italy, or to any other place, and you are going to leave the great American beef exporters free to compete on any terms they like, and those other countries which you profess you will control this meat for you are going to tie the British merchant, whoever he may be, right down, so that he cannot expand his trade, either directly or indirectly, because you prevent him from getting supplies. There is no man can build up a trade unless you give him the opportunity of having supplies ahead on which he may risk his money by his judgment, for the purpose of working a trade in these countries. In one breath you say, "We are going to control the whole of the meat supplies in these countries," and "we are not going to control the American beef exporters, because it is impossible to control them." You will leave them free to do whatever they like. You will tie overseas meatgrowers, farmers, and tie down the British merchant who wants to obtain meat from those countries, you make it impossible for him to obtain it unless he gets it through the Government under these proposals, and you are going to keep the New Zealand farmer, the Australian farmer, out of France and Italy, and give the great American exporters an opportunity of controlling the beef market all over the world, here and in France and Italy. And that is proposed—I admit it is with a good intention—with the object of putting this meat market upon a basis that is going to free the British markets from foreigners; that is, according to the resolution quoted in paragraph 1. But instead of freeing them from foreigners, you will throw them into the hands of men who are not foreigners but belong to a country, the United States of America, one firm of which—I need not name it, but probably it is known to everybody here—in one month last year handled more meat than the whole of the exports from New Zealand in a year. You will leave that firm—among other firms in the United States—free not only with their beef, but to go into the markets of England where people can get things for export, and they can get mutton and lamb supplies if they want to build up stocks for entering into competition in France or other countries. You will have them gripped by the throat by the American meat factors; there is no relief from them. I want to say, in the presence of the President of the Board of Trade that there is no refuting the statement I am making. It is absolute truth, and when you are faced with that fact—a fact which is not contradicted as far as the position is concerned—then is it not necessary to go very much farther than is proposed in this Report with a view to try and effect a solution of this tremendous difficulty that has been put? I want to say right here that

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I am one of those who is most anxious to build up trade within the Empire, with one important reservation—I have made this statement publicly before the war and since the war, and I reaffirm it here—that it is idle, in my opinion—I may be singular in that opinion, I may be alone in it, but I hold it, and it would take a great deal to change me upon it, speaking as an individual, and expressing my opinion for what it is worth—I hold that in all these arrangements that you are making now you are going to bring trouble upon the British Empire unless you realise that you have got to enter into co-operation with the United States of America in any trade arrangements you make in the British Empire in the future. I do not say you can enter into preferential treaties with the United States of America, but I say it is impossible for the British Empire, in my judgment, to have inter-trade relations within the British Empire if they are going to ignore the conditions of the United States of America. If you are going to shut your eyes to the power of the United States, you are going to act, in my opinion, with a fatuous stupidity that would be absolutely injurious to the whole lot of us. To suppose that we are able to deal with some of these great things that we are discussing, and that you will get the assent of the United States of America to any attempt to exclude them, is to attempt to build upon a wrong foundation, and if you attempt to exclude them there will be trouble with the United States of America right off the reel. As sensible people we have to recognise that America is a great, powerful country—not an ally in connection with this war, but a co-operator in connection with this war, in the interests of freedom and in the interests of civilisation. We are now, at this Conference, proposing to lay down a system for carrying on our meat trade within the British Empire after the war is over, and you are perforce compelled—you cannot avoid it—to take into consideration the great Meat Trusts of the United States of America, which are the most powerful concerns of their kind in the world at the present moment. One company there, I repeat, has handled more meat in one month than the whole export of New Zealand for a year.

Mr. MASSEY: That cannot be. We are second in the world in the export of meat.

Sir JOSEPH WARD: It is so. What I am saying is a fact, that that one company handles more meat in a month than we export in a year.

Mr. COOK: But that is not to say it is all exported from the United States.

Sir JOSEPH WARD: I did not say exported from the United States. I say that there is one company there that handles more meat in a month than we export from the whole of New Zealand in a year. I agree with Mr. Massey that as an exporter of meat our country, for its size and population, by comparison with other meat-exporting countries, has a wonderful record, of which we are all rightly proud.

Mr. MASSEY: It is second in the world.

Sir JOSEPH WARD: That was not the point I was making. I am talking about the strength of these powerful American meat organisations, all of which are to be left free to do as they like while we are all to be tied down, and I was instancing the size of the transactions of one particular company as compared even with the total meat export of a great meat-exporting country like New Zealand. I was not depreciating New Zealand; I never have done so, and I am not likely ever to do so.

Mr. COOK: I do not think either of you will ever depreciate New Zealand.

Sir JOSEPH WARD: Well, it is not likely, in any case. I want to know how it is proposed to meet a position of this kind. There is no proposal here to meet it. There is no question about this—that the whole intentions of this Report are all right, but there is nothing in this world two years after the war is over, in my opinion, that would justify any of us, or any of the Governments, if I may put it in that way, in entering into an arrangement, with the best of intentions, that is going to leave our sheep growers in the position of losing a market in the United States which is going to give them, perhaps, 2d. per lb. more than they can get here. In war time that is not only justifiable but supportable, and I support it. In peace time it is not justifiable, and I do not support it. I say there is nothing in

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the world that would justify us in attempting to establish a new basis, under new conditions, beyond the period of the war or for a short time after the war. Then I think this problem will require to be approached, if not *de novo*, upon a new or fresh basis that can be considered by each part of the British Empire from its own point of view. And in this Report, as far as I can see, there is nothing at the present moment to show how that can be done.

Now I want to call attention to this point, and perhaps the President of the Board of Trade will be able to tell me later whether I am right or wrong. While the resolution quoted in paragraph 1 of the Report says: "In view of the extent to which the United Kingdom and certain other parts of the Empire are dependent on oversea supplies for meat, and of the desirability of freeing British markets from excessive dependence on foreign organisations," in paragraph 47 it says: "The meat would thus be delivered to the retailer at a price compounded of the landed cost of the meat, the expense of internal distribution, and administrative charges. Further, the wholesale prices of the meat should bear a proper relation, quality for quality, to Plate meat, and should this involve a profit, that profit should be divided in proportions to be agreed upon between the Imperial Government and the sellers of the meat in the Dominions." If Plate meat rules 1*d.* less than the price ruling in the United States of America, the growers of our country are going to have a basis fixed upon the value of Plate meat which comes from a country not forming a portion of the British Empire. Now, that is not giving effect to the aspiration contained in the resolution quoted in the first paragraph—that it is intended to make the British markets free of foreign supplies. The Argentine is a country that is supplying a large amount of beef, and for the purpose of expediency there is a proposal here that we are to have our prices based upon the value of the Plate meat. Well, that is not giving effect to the resolution of last year.

Mr. COOK: But you have just been arguing that we must base it ultimately upon the world's standards.

Sir JOSEPH WARD: That is quite right, Mr. Cook, but the Argentine is not the world. Now just read that resolution—

Mr. BURTON: What becomes of your control of imports and exports?

Sir JOSEPH WARD: What does it say? The resolution says: "In view of the extent to which the United Kingdom and certain other parts of the Empire are dependent on overseas supplies for meat . . . this Conference is of opinion that there should be co-operation between the Governments of the Empire to ensure that the Empire should become, as far as possible, self-sufficing." Very well. Then paragraph 47 of the Report says that instead of that being the case, you are going to have prices based upon River Plate prices. I call attention to it for the purpose of showing the incongruity of the two things.

Just let me say here what I am afraid of in connection with these proposals, and what I want to suggest. It is entirely in the hands of this Conference to come to a decision otherwise—I am fully aware of that—but what I want to suggest to this Conference is: Let us carry on the whole of the proposals until three or six months after the war, but do not let us take what I call a step in the wrong direction at this juncture.

Mr. MASSEY: It is an essential step as far as we are concerned. The meat trusts will if we do not.

Sir JOSEPH WARD: As far as I am concerned, anything that will control the meat trusts I am prepared to do, but the control of the meat trusts has nothing whatever to do with what I am referring to at present, namely, the putting of our sheep growers in the position of having to take a less price, in all probability, from this country than they could get after the war from another country.

Mr. MASSEY: All the trade is controlled by the trusts which we are speaking of, and one of which, you have told us, turns over more meat in a month than we export in a year.

Sir JOSEPH WARD: At any rate, Mr. Massey, I am putting my views, which I am entitled to do, and you are entitled to put yours in your own way.

Mr. MASSEY: I feel very strongly about this.

Sir JOSEPH WARD: So do I. I want to protect the meat growers from the disadvantage which will arise unless effective steps are taken to ensure that they are protected.

Mr. MASSEY: And I want to protect them from the trusts.

Mr. COOK: The trusts pay good prices, do they not?

Mr. MASSEY: Not in the Argentine, where they control the whole market. Look at the prices they pay there.

Sir JOSEPH WARD: Well, Mr. Long, in my opinion, instead of committing ourselves to a price which looks to me as if it would be lower, after the war, than our people ought to get, we ought to be careful not to carry this on after the war, or at latest after six months after the war, and we ought then to deal with the greater, more difficult, and more complicated issues on which there will no doubt be differences of opinion as to the best course to take. I am strongly in favour of any proposals for controlling the meat trusts, but in the meantime these proposals allow them to remain completely uncontrolled while our sheep-growers are to be completely tied up, and we ought not to get into a position which looks to me as if it might be injurious to our meat-growers in New Zealand. It is for that reason that I make these remarks.

Now there is the fact—and I want to reaffirm this—that in my opinion, under these proposals the foreigner—and by that I mean the huge American Meat Trusts—can develop the markets freely, while all the other people are tied down and cannot develop at all. That cannot be overlooked. That is helping those great factors which are the disturbing element in connection with the meat trade of the world. And another thing is, the moment you let that class of people know the cost of the supplies available, they can play with the market against the people here who are buying the meat from our country, New Zealand. That is certain. The moment you get a large operator who knows the quantity available and the price that has been given, that man immediately has an enormous advantage over anybody else. That is what is proposed, and I think those gentlemen who have helped to prepare this Report, if they examine into this aspect of it, will find that that is so. I am satisfied that the British distributor, being under control, would find it impossible to develop outside markets, because he would fear a failure in his individual supplies.

Now I want to say here that I personally—I may be quite wrong in my view, but I hold a very strong opinion—think that there is only one way to tackle this question and tackle it successfully. To a very large extent we are circumscribed at present by what the policy of the British Government is going to be after the war is over. My belief is that the only way in which you can bring about a successful operation to enable the people in each of the oversea Dominions to get the highest price possible without tying them down and preventing them getting it elsewhere, is to establish a basis of inter-Imperial preferences. I believe that absolutely, and I think it should be a pro-British policy—but not anti-American. Some of the suggestions I have seen for commandeering all dumped supplies would not work out well. Now I believe in connection with this matter that the powerful British Government of the day, whoever they may be composed of, in conjunction with the oversea Dominions, when they are laying down a basis for inter-Imperial preference and a pro-British policy, cannot ignore the United States of America; and that is the time when every effort should be made to have a reciprocal basis upon which the disastrous effect of the operations of the large meat trusts there could be controlled. I do not think you are going to control them by force, as far as the United States of America is concerned. My opinion is that you can only control them by co-operation. And I do not think any ordinary individuals in any of the countries concerned can do that by themselves. I do not believe that it is possible to be accomplished excepting by the powerful co-operation of the British Government—and, of course, of the oversea Governments—with the Government of the United States. They could do it if they mutually agreed upon a course to be pursued. I think the whole of the freezing works in all the countries should be controlled. In New Zealand we have taken the necessary steps to do this to some extent, as Mr. Massey stated to this Conference at a previous sitting; and probably we shall have to go further in the direction of controlling the freezing works. If we had inter-Imperial

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preference and a pro-British policy, together with an understanding on a reciprocal basis with the United States of America, and controlled the freezing works in our own countries, adding one all-important condition, namely, a shipping priority for British trade, then I venture to express the opinion that you would commence to control the American Beef Trust, and that would be the controlling factor not only in England but in all the oversea countries. I have been talking to three or four retail butchers in the suburbs of London since I have been here, and they all say, "We must get our mutton where we get our beef." Unless they get a supply of beef they cannot carry on their general trade, and in my opinion you have to go farther than is suggested in this Report to enable this to be done. I am at one in expressing the opinion—whether it is in the Report or not I am not certain—that to enable us to get the best out of this meat trade, and to assist, at the same time, the British Government, to help the consumer in its own way, in this part of the world, it should pass through a British depôt, with British firms operating it and paying taxes on the incomes they derive from it. I think that would be a corollary to whatever arrangements were made.

And then, Mr. Long, I think we ought not to allow this subject to pass away from this Conference—at all events, I may express my own opinion—without an effort being made to compel lower steamer freights after the war. At present the Shipping Ministry, who are controlling the ships and the trading with all countries, have had, as a matter of necessity, I think, from the point of view of the high prices that are ruling for all kinds of things—coal, wages, cost of material, and everything else—to raise the freights (though they are paying the freights themselves) to a very high point indeed. Now, in normal times that means that the grower in our country has to take a much less net price for his meat if he has to pay anything approaching these high freights, and I am of opinion that within a few months after the war is over there ought to be a diversion of frozen meat steamers, insulated steamers, to the oversea countries which require to send their meat away; otherwise you will be keeping up the freights for a very long time, a considerably longer time than is necessary. And, in fact, I go very much further, and say that if it is possible, having regard to the necessity of supplying steamers for war purposes, to build frozen meat steamers now, so as to have a sufficiency for the various parts of the Empire requiring them, it would be one of the first factors in helping to bring about a better condition of things after the war is over, which, after all, is what everybody is trying to do.

I do not want to take up the time of the Conference farther. I have only briefly referred to these points, which are important, of course, and the subject is so complex and difficult that there is plenty of room for difference of opinion. But I take it we are trying, at all events, to help to develop the trade of the Empire, but to ignore the condition of the United States of America would be a very foolish thing to do, because it is a great commercial country, and no one can ignore it. I do not know whether anyone has referred to it or not, but in our country there has been from time to time not only a great deal of uneasiness but a great deal of criticism about the difference between the price our people are selling at and that which is being paid here by the consumers of the excess over and above the war requirements.

Mr. MASSEY: I have already called attention to that.

Sir JOSEPH WARD: I did not hear that. It may have been when I was absent owing to influenza. At any rate, I want to reaffirm what Mr. Massey has called attention to. There has been, and is, a great feeling about it, and the matter has been taken up both in the House of Representatives and in the Press. Numbers of our people do not understand why, when their meat is sold at a particular price free on board or at the freezing works to the British Government, and when that meat is brought home in steamers which are commandeered by them, and they fix their own freights—they do not understand why the meat over and above what is required for feeding our troops (I am not reflecting upon this, because I do not know the cause) should be resold to the consumer here at such an enormously higher price as compared with that at which the meat is sold to the British Government. I think it would not only be reassuring, but that it is absolutely necessary, that there should be a clear statement as to the nature of the case, and as to the cause of this difference. There is no doubt that there is a great deal of feeling about it, and I think there

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should be an authoritative statement made upon this subject, for the information of those who are concerned.

There are a number of other points which I had intended to discuss, but I do not want to take up further time. In my opinion, some of these after-war problems we have got to consider and to discuss in our own countries, and to take part in trying to settle here as well as there. Some of them are mighty difficult of satisfactory solution. There is the difference of distance and environment, there is the difference of climate, there is the difference of qualities, there is the difference of trade competitions, there is the difference of conditions existing in this Old Country in many ways that many of us are not familiar with. All these varying conditions come up in connection with these problems, and I come back to what I have said before: I believe there is only one way out of it, and that is that some practical scheme of inter-Imperial preference and pro-British policy must be established, and that there should be a recognition by the whole lot of us of these very important conditions in some other countries—not enemy countries; I would be as drastic against them as it is possible to be. It seems to me that you cannot deal with this thing piecemeal. You cannot piecemeal a great and comprehensive policy. You may grip one part by the throat and put it down, but you have not settled upon the policy that is going to be valuable to the whole Empire. I, for my part, am one of those who never want to see again reverted to the trade conditions which existed prior to the war. I want to see our Empire helped, and helped by a well-thought-out policy in such a way that you can absolutely build up a great trade upon it. That is not going to be done easily—it is going to be a very difficult problem. I have made these remarks because I want to state my views, and also to elucidate information upon some of the points to which I have referred.

Mr. COOK: Mr. Long, it appears to me we are not getting very much "forrarder" in the solution of this very troublesome question of keeping trade within the Empire as far as possible. At the present time the Empire cannot supply all the meat which it wants, and it seems to me that that fact has largely coloured this Report, which I admit is a very able one—and really it is from that point of view that one should set out to study this question. There is no possibility that at any time in the immediate future the Empire can be self-supporting as to its meat supplies, and necessarily a large portion of the Report is taken up with possibilities in other directions.

Mr. MASSEY: There is really no motion before the Conference.

Mr. COOK: I desire to put one.

CHAIRMAN: Oh, yes, there is a resolution before us.

Mr. COOK: I have been trying my hand at one, Mr. Long. The position is this. So far as the Dominions are concerned—speaking for Australia, and I think I may speak for New Zealand in this respect—all the surplus meat we have we can dispose of to you very readily. I do not know whether very much New Zealand meat is going to other countries. I do not think very much of ours is. A little, I think, goes to Canada in the shape of mutton and lamb, but on the whole the bulk of the meat that we send out find its way to places within the Empire, so that in that respect there is not very much trouble so far as we are concerned. The great point is that we want to develop the resources of the Empire in many directions, so as to make the Empire as far as possible independent of these outside sources. The moment the Empire is independent of these outside sources, the various constituents of the Empire can quite readily, it seems to me, protect themselves from the depredations of these sinister Trusts. But this Report deals principally with the point of view of supplies of meat from countries other than those within the Empire. I have not yet heard any suggestions that we have made for the development of the resources of the Empire. I have no doubt in my mind that we could duplicate and triplicate the meat supplies of the Empire. We have the virgin country and the grazing resources, and they could be developed in many ways. This Report does not help us very much in that matter. All its very able outlook is directed to other countries than our own, and with all respect, I do not know that it is our prime

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function here to develop the meat resources of other countries outside the Empire. Our prime consideration should be to turn our attention to our own Empire and its resources, and see how they can be more fully exploited with the view of meeting the demands of the Empire from time to time. When we have done our best we can only supply from Australia and New Zealand 26 per cent. of the beef requirements of Great Britain at present, and 75 per cent. of the mutton and lamb. Five per cent. of the beef comes from Canada. Now, to supply even that we have been, in Australia, overrunning our present capabilities in many ways lately; we have been killing off our breeding stock and exporting them, and it has been a very serious problem for the Government.

Mr. MASSEY: That has not been our experience.

Mr. COOK: It is a question how far that is to be allowed to continue. The present world's demand has stimulated export and prices until we have actually decreased our stocks in Australia in recent years.

Mr. MASSEY: Cattle or sheep?

Mr. COOK: I am not sure I would not be correct in saying both. As to sheep, it is correct that we have exported more than we have bred.

Mr. MASSEY: You have had very serious droughts during the war?

Mr. COOK: Drought comes in, of course, but I do not know that that is altogether relevant to the point I am making. The point is that even in an ordinary normal year there is a tendency to export more than we have produced within that year, and our prices have gone up locally until to-day they are very high. Just now there is a great deal of complaint locally concerning the high prices of meat, as I have no doubt there is in New Zealand and elsewhere, so that what we have to do is to confine our attention to stimulating the resources of the Empire to grow two head of cattle where one grows now, and two sheep where one is now produced. This Report does not help us very much in that direction beyond saying that we are to get priority for the supply of railway and other material and plant from the United Kingdom, and suggesting veterinary examination of cattle, and the acceptance of veterinary examination of cattle from Canada at the port of shipment. That is practically all it says, and the rest is taken up with the development of the British requirements from other countries outside the Empire. It seems to me, therefore, that this Report from that point of view is a very able one, and while it does suggest problems with which we are not intimately concerned, at the same time it suggests where the real difficulty is after all. We have not enough meat within the Empire to supply the requirements of the Empire. That is the thing to keep in mind in considering what we are going to do. Now this Report makes some proposals that we may very well agree with—some very valuable suggestions—and it makes others of doubtful value. For instance, it is suggested that we can go into business ourselves, and that we should have butchers' shops of our own, and kill and freeze and store our own meat (paragraph 40) "as a means of checking costs and prices, " and also, on occasion, of countering monopolistic manoeuvres." Well, it has always seemed to me that we can control anything if we control the point of export, and we can do that in our own Dominions. I admit the menace of those Trusts: they need watching. We have had several Commissions already in Australia, and they have all reported so far that they do not find these Trusts to be predatory in any way. I suppose in Australia, as in the case of other countries, they are treating us very well just now; what they will do hereafter remains to be seen. But I do not see, with our present form of Government and our direct control of export in Australia, that the Trusts can attain the same sinister dimensions as they have done in some other countries in the world. However that may be, I think we should take this Report for what it is worth, Mr. Long, and look at its suggestions from our own point of view, as you will look at them from the point of view of the Imperial Government. We are sellers of meat, you are buyers of meat, and your point of view in that respect is different from ours. But we may agree, I think, unanimously that, in so far as we can develop the latent meat-producing resources of the Empire,

Mr. COOK—*cont.*

we should do so, even if it costs the Empire something to do it. That should be our aim and our object.

Something has been said about Imperial preferences. That, again, is a desirable object, but Imperial preferences become more difficult as our Allies in this very tragic war multiply. And the position differs very materially now that America is in the war as our Ally, instead of standing out as she did two years ago. She is in a different relation. That is why I made that suggestion to Sir Joseph Ward. The Resolution of last year was framed, I think, at the time when America was not our Ally. If it had been framed now, it might have been couched in different terms. If we evolve a scheme, we shall find it a matter of infinite difficulty and complexity, and I think all the Conference can do is to lay down a general principle that it is desirable to develop the resources of the Empire as far as possible, and take that as a guiding principle, and read the Report to find how far it is possible to proceed along those lines, consistent with the immediate and present requirements of the Empire as a whole. And I would suggest some such resolution as this—it seems to me we could all agree so far as this, and that there is nothing inconsistent between the Report and this: "That the Conference welcomes"—I am following some of the verbiage of the motion which you have submitted, sir—"co-operation among " the Governments of the Empire to ensure that the Empire shall become as far as " possible self-sufficing in the matter of meat supplies, and recommends the " examination by the Governments concerned of the Report of the Committee upon " Imperial Meat Resources, and the adoption of such legislative and administrative " measures as are required to secure the object in view." There we keep the ideal in view, and we say that so far as we can we will do so. More than that I do not think this Conference can commit itself to at present.

CHAIRMAN: We had better have that resolution copied.

Sir JOSEPH WARD: That resolution to which you refer, Mr. Cook, was carried after America came in.

Mr. COOK: Yes, you are right—just afterwards.

Mr. MASSEY: Nothing in the resolution of last year is at all antagonistic to the United States as a nation—not at all. What was done was with the object of protecting us from the meat trusts of the United States, and the Government of the United States have had to take certain steps to protect their own country from their operations.

Mr. COOK: I have no doubt we shall have to protect ourselves from meat trusts and other trusts too.

Mr. BURTON: May I look at the suggested resolution?

CHAIRMAN: I have had it sent out to be copied.

Mr. BURTON: What strikes me about the discussion of the whole of this matter is that if we are going into the details of a Report like this, and are going to discuss its various aspects, then in the first place I am afraid we shall never finish our business. This, like some of the other matters that have come before us, can only be dealt with by this Conference in a businesslike way if we take the principles which are contained in these documents and deal with them. Now I made a few remarks the other day when we discussed this before, in which I said that I found in the recommendations of the Committee several things that were undoubtedly very good from South Africa's point of view in connection with the meat export trade, and that I was quite prepared, without committing myself to all the recommendations, to say that the report was of such a nature that one could adopt the proposed resolution of the President of the Board of Trade. But if we are going to discuss all the details of these reports, then I, and probably Mr. Meighen, and some of the rest of us, would like to go into these details too.

On behalf of South Africa there are certain things which, in consonance with the line I have taken on other matters, I would have to go into on this as well. I am sure the President of the Board of Trade and members of the Conference know what I am referring to. There are things there with regard to regulation by legis-

Mr. BURTON—*cont.*

lation, and that sort of thing, which would be subject to exactly the same criticism as has been directed against the imports and exports proposals generally. And there are other things which are also open, I think, to very considerable objection. But my willingness to accept the draft resolution was on the basis that we were going to discuss this thing merely as a whole, not committing ourselves to any details upon it, but merely taking the idea of the whole thing and saying "We will look into this and do what we can," and unless we act on that, I am perfectly certain we shall never finish this subject, and shall not finish some of the others. This Report is full of detailed matters of the greatest possible importance and of very considerable complication, so that I think we should be doing well if we were to say now that we are prepared to go into these recommendations and see what can be done in the direction which we all think a right one to aim at, namely, this proposal to make the Empire self-sufficing in the matter of meat supplies as far as possible. I am inclined to think now that Mr. Cook's amendment is better than the original resolution.

CHAIRMAN: We shall have to withdraw the other resolution and substitute this one, I think.

Mr. BURTON: I am inclined to think that, perhaps, on the whole the wording of Mr. Cook's amendment is better, because he takes out what might be misunderstood if we were to agree to it, namely, the words "on the lines recommended by the Committee." He takes that out. I am afraid I rather committed myself the other day in saying I was prepared to agree on the general lines, but I meant that in the most general sense. Perhaps it would be better to say, as Mr. Cook does, "That the Conference welcomes co-operation among the Governments of the Empire to ensure that the Empire shall become, as far as possible, self-sufficing in the matter of meat supplies, and recommends the examination by the Governments concerned of the Report of the Committee upon Imperial Meat Resources, and the adoption of such legislative and administrative measures as are required to secure the object in view."

CHAIRMAN: Perhaps I had better put it to the Conference before we discuss it further. The original resolution was "That the Conference welcomes co-operation among the Governments of the Empire on the general lines recommended by the Committee on Imperial Meat Resources, to ensure that the Empire shall become, as far as possible, self-sufficing in the matter of meat supplies, and recommends the detailed examination by the Governments concerned of the legislative and administrative measures required for this purpose." Then the Prime Minister of Newfoundland proposed to amend that by the omission of certain words and the insertion of others. Mr. Cook now proposes to substitute a different resolution. The most convenient course for the Conference to adopt, if it so pleases, would, it seems to me, be to withdraw the original resolution and substitute the one now before them. I think that would be better than going through a process of amendment. It will take a great deal of amending to bring the original resolution into line with this new one.

Mr. LLOYD: The last phrase in Mr. Cook's resolution says "and recommends the examination by the Governments concerned of the Report of the Committee upon Imperial Meat Resources and the adoption of such legislative and administrative measures as are required to secure the object in view." What object?

Mr. COOK: The object of making the Empire, as far as possible, self-sufficing in the matter of meat supplies.

Mr. LLOYD: That ought to be clear.

Mr. COOK: It is clear.

Mr. LLOYD: Oh, no. There is a recommendation of the Committee not only to make the Empire self-sufficing, but to seek elsewhere other supplies. There are two distinct points.

Mr. MEIGHEN: The last words have no reference at all to the recommendations of the Committee; they only have reference to the object of the recommendations.

Mr. LLOYD: Yes, but that is the point; there are two questions in the recommendation; first, the supply from the Empire, and secondly, the supply outside the Empire.

Mr. MEIGHEN: The object is the one set out in the introduction of the recommendations.

Mr. MASSEY: I do not think there is any doubt, but if it requires to be made clear, do it by all means.

CHAIRMAN: I should have thought it was governed by the previous words.

Mr. LLOYD: It refers to supplies from the Argentine.

Mr. MASSEY: It only recommends an examination of the recommendations. I do not see any objection.

CHAIRMAN: If there is a doubt about it, we can put words in, but I should have thought it was quite clear. The object in view is surely that the Empire shall become as far as possible self-supporting in this matter, and in order to do that it is recommended that certain things shall be done—amongst others, that the Governments shall examine the report and recommendations of the Committee, and then, finally, shall adopt such steps as are necessary to secure the object, namely, the supply of meat.

Mr. MASSEY: If there is any doubt about it, we might strike out the words "and recommends the examination," and so on.

CHAIRMAN: Say "secure that object"; would that make it clear? But I think it is all right as it stands.

Mr. LLOYD: Personally, I prefer the original resolution with the other words struck out. Take the original resolution: "That the Conference welcomes co-operation among the Governments of the Empire to ensure that the Empire shall become as far as possible self-sufficing in the matter of meat supplies, and recommends the detailed examination by the Governments concerned of the legislative and administrative measures required for this purpose." That meets the whole case to my mind.

Mr. MEIGHEN: But that does not go one inch further than the resolution of last year.

Mr. BURTON: Not a bit.

Mr. MEIGHEN: This one of Mr. Cook's does, to this extent—not a very extensive extent, but at all events to this extent—that it recommends to the consideration of the Governments certain definite specific lines which are laid down in the Report.

Mr. COOK: That is so.

Mr. MEIGHEN: If this is not to be adopted, you might as well rest on last year's resolution.

Mr. MASSEY: I should be glad to hear whether the President of the Board of Trade has any further remarks to make. I am personally not satisfied with anything that has been proposed. I do not think anything that has been proposed is going to meet the difficulties we are up against. That is my trouble.

Sir ALBERT STANLEY: Mr. Long, I think the object the members of the Meat Conference had in mind in submitting this Report to the Imperial War Conference has been secured. It was not the intention of that Conference that they would prepare a report which would contain definite recommendations after a most exhaustive inquiry—recommendations which this Conference could accept in their entirety. Far from it. We all realised the enormous difficulties involved in the problem, and what we hoped for was that we should be able through this Report to place before this Conference a sufficient amount of information on this matter to form the basis of a discussion, and to secure the keenest possible criticism from every member of the Conference. And I think we had in mind that ultimately the Meat Conference would be asked to meet again, when we should have the benefit of all the criticisms which had been made upon our Report, and, acting upon an instruction from this Conference, take further steps of a more concrete nature from time to time as might be agreed by the respective Governments concerned. I have been hopeful very free criticism, and that we should have the benefit of the criticisms made from myself—because we found it necessary to be very indefinite in what we had to recommend, because it is a very difficult problem—that the Report would secure a

Sir ALBERT STANLEY—*cont.*

this Conference when we met together again, as I have said, acting upon an instruction from this Conference.

Mr. MASSEY: Before this present Conference adjourns?

Sir ALBERT STANLEY: To take the matter in hand again and to deal with the various aspects of the problem as they arise, with, of course, the consent of the Governments concerned. Take, for instance, the question of control after the War. Obviously that control causes very many difficult questions indeed, and it is very difficult—I think almost impossible—just at this moment, to forecast accurately what the position at the close of the war will be.

There is another point—that owing to the fact that we were not in a position to make definite recommendations, and because the matter is more or less secret, we did not consult with the representatives of the trades and industries affected by the Report. We felt that we had sufficient information available at the time upon which to base certain conclusions; but we did feel that before any definite steps were taken, we should consult with the representatives of the trades affected and hear their views upon the matter. So that, as I have said before, all we hoped to secure by this Report was a very free discussion, realising that it did not contain final recommendations, and that the Conference would agree that it should be referred back again to the Meat Conference for them to go into the matter in more detail—that we should have the benefit of all that has been said during this Conference, and that the Meat Conference should come, in consultation with the respective Governments, to some more definite decision upon the various aspects of the problem. I sincerely hope that in a matter of this kind, which is of such great importance, and where the interests obviously are sometimes in conflict, the matter will not be allowed to remain where it is. I am fully convinced—and I think I speak here with the authority of the Ministry of Food as well—that if the matter is referred back again to the Meat Conference, we shall be able to submit propositions which will, I think, be beneficial to the Empire as a whole. Of course, we felt it desirable that we should place before the Conference all the different aspects of the problem—certainly that part which deals with South America. We realised that for a time at least the Empire could not be self-supporting, and that we must continue for some time—that is, that the United Kingdom must continue for some time—to draw meat from South America, and that for us to fail to take steps to protect British interests in South America, and to leave that vast field to be exploited by the American Beef Trusts, would be a mistake—a mistake not only in the interests of the United Kingdom, but a mistake in the interests of the Empire as a whole, consumer as well as producer. But if we can protect our interests there and indicate to the American interests that the British Government is backing those enterprises and is not willing that they should be frozen out, we are hopeful that we shall be able to come to some arrangements which will be generally beneficial. I think it would be, from all points of view, a great advantage if the Meat Conference could be continued, so that all the Governments of the Empire would have a complete knowledge of all that is going on from time to time, and that we should come to a common understanding on any question of policy which may be raised for discussion. I feel that the machinery of the Meat Conference will be a better way of dealing with it.

There are some points which have been raised during the discussion, some of which are questions of considerable importance, but still, perhaps, more of detail than of general principle; and those perhaps could be answered better by the representatives of the Ministry of Food, and by Sir Thomas Robinson, than by myself.

Mr. MASSEY: With regard to the difference between the price at which meat is landed and the price at which it is sold here?

CHAIRMAN: Mr. Clynes will deal with that.

Sir JOSEPH WARD: Might I ask, Sir Albert Stanley, in regard to this reference that is to be made, which seems to be a good idea, would it be possible for the Meat Conference, when it comes back, to show us how you are going to control the American Meat Trusts? When the sale and control of the oversea meat is taken out of the hands of the growers, and the American Meat Trusts are let loose to do what they like, does not that give them stronger powers against our interests than they have at present?

Sir ALBERT STANLEY: Well, I should be very hopeful, Sir Joseph, that that was one of the very first points the Meat Conference would take up, and that they would, having a knowledge of the views of the members of this Conference, be able to come to some definite conclusions.

Mr. MASSEY: I think every member of the Conference who has spoken has pointed out the weakness of that proposal—that it would never do to allow the American Meat Trusts a free hand in British markets while meat from the Oversea Dominions is controlled.

CHAIRMAN: Mr. Clynes will answer the specific questions.

Mr. CLYNES: I think there is only one point, Mr. Long, upon which I can give any information, and before giving it, I will ask members of the Conference to agree with me that a system of individual rationing of meat presupposes that the individual consumers cannot get exactly the article which they would like to have for the money which they pay. It is a pooling of interests and of chances, and what we do, having to pay different prices for meat in different parts of the world, is to try to sell collectively the meat we obtain at the one price to a very varied mass of consumers. The Australasian meat handed over to the Ministry of Food is paid for to the Board of Trade at the uniform price of 10d. a lb. for mutton and lamb.

Mr. MASSEY: By whom?

Mr. CLYNES: By the Ministry of Food. Mutton and lamb are sold by the Ministry of Food at a uniform price of 1s. 1d. per lb., leaving, therefore, a margin of gross profit of 3d.

Mr. MASSEY: An enormous profit.

Mr. CLYNES: It is an enormous profit, but from this profit are deducted such storage and other charges as are incurred, and which would have to be borne in any case even if the trade were done on ordinary private account.

Mr. COOK: Do you make money out of it?

Mr. CLYNES: In one sense we make money. That 3d. a lb. is used by us to equalise the price which we have to pay for more expensive meats obtained from the United States.

Mr. MASSEY: From the trusts?

Mr. CLYNES: It may be from the trusts. If we could get it from quarters apart from the trusts, we should get it there. But they are the source of supply available to us. The consumers demand the meat, and we must get it from wherever we can. With all the shipping and geographical disadvantages with which we are faced we overcome the difficulties as far as we are able to. It is no part of the policy of the Ministry of Food to make profits, so if we do gain upon one section of the trade, which we are compelled to do, it is only because in a sense we are obliged to lose to another section.

Mr. COOK: Do I understand that you pay 10d. to the Board of Trade?

Mr. CLYNES: Yes, and sell to the retailer at 1s. 1d.

Sir JOSEPH WARD: Mr. Clynes is, I think, speaking of mutton and lamb only.

Mr. COOK: Is mutton dearer than beef?

Sir JOSEPH WARD: In New Zealand it is 6d. a pound.

Mr. COOK: I was wondering where all this money is going to.

Mr. CLYNES: You are aware of the enormous increase in the price of everything—in storing, in labour, and in transport charges.

Mr. MASSEY: You are in this position—that there will be trouble about it as soon as the producers get to know about this. Speaking of Australia and New Zealand, we are being compelled to take a lower price in order that the people who sell meat to you from America may obtain a very high price. There it is, and I am putting it as mildly as it is possible to do it. Later on, other people will be putting it in very much stronger terms.

Mr. CLYNES: If there is any compulsion operating in that way, I hope I may not be held responsible.

Mr. MASSEY: I do not say that for a moment.

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Mr. COOK: The point is this. Our people have been fixing as low a rate as possible so as to give your people meat at a reasonable price, and if they are now to be told that the money which you obtain for this meat—which after all is not sold so cheaply to the people—is used for fattening the Beef Trusts of America, it will be a shock to them.

Mr. CLYNES: On this section of the question I think Sir Albert Stanley can give you more information than I can.

Mr. MASSEY: Just one word from the producer's point of view. We have discussed this repeatedly in New Zealand, and never could see how it was possible to sell the meat at 1s. 1d. or anything like it unless somebody had an enormous profit. It is cleared up to some extent, but the producer in New Zealand has always been under the impression that he sold his meat at a low price so that the consumer in Great Britain might also get it at a low price. Now he will see that he is selling his meat at a low price—very much lower than the ordinary world's price—in order to make up the profits of Trusts. It is a most difficult position for us to be placed in.

Mr. COOK: And moreover there is the profiteer over there.

Mr. MASSEY: His profits are mild compared with these.

Mr. BURTON: You cannot get this meat for less than you pay?

Mr. CLYNES: Certainly not.

Mr. BURTON: Then the only alternative is to pay these gentlemen in New Zealand the same price as the American people. What is the other alternative? If you could get all your mutton and lamb from them at 10d., you would take it, I suppose.

Mr. CLYNES: Yes.

Mr. BURTON: But you cannot; and as they cannot supply you with all you require, you have to get the rest from America.

CHAIRMAN: They have enough meat, but it is a question of tonnage, I understand.

Mr. CLYNES: Largely.

Mr. BURTON: If you had tonnage, New Zealand could supply you with all your mutton and lamb. Then the problem remains the same—that Mr. Clynes must go to America or somewhere else for the balance, and he must pay them the prices they ask. So that to satisfy the conditions of New Zealand, you must pay them the same price as you pay to America.

Mr. MASSEY: I do not think it is fair to pay them less.

Mr. BURTON: What other alternative is there? You must pay them the same price as you pay the American people.

Mr. MEIGHEN: Then the American people would make just as much money as before.

Sir JOSEPH WARD: Might I ask Mr. Clynes if the policy of the Food Department here is that the average cost of meat from all over the world is pooled?

Mr. CLYNES: Yes.

Sir JOSEPH WARD: And if you are paying a higher price to a country which is not within the British Dominions, then you use the difference between that and the lower price paid to the Dominions to prevent the British Government making a loss upon the higher price?

Mr. CLYNES: Yes.

Sir JOSEPH WARD: Well, I only want to say that I am afraid, speaking emphatically, that this information, when it reaches our country, will give rise to what is called a very bad taste in the mouths of our people.

Mr. MASSEY: And in Australia, too, I am afraid.

Sir JOSEPH WARD: Because it means that we are selling mutton and lamb at 3d. a lb. less to enable the British Government to pay the American big meat man 3d. a pound more.

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CHAIRMAN: That is how it works out, but is it not also fair to say that by this arrangement the New Zealand and Australian meat producer is enabling the meat consumer in England to get meat at a much less price than otherwise would be possible? Supposing Mr. Burton's alternative were adopted, and the Food Controller paid the same price to New Zealand and Australia as he is paying to the United States of America; then the price to the consumer here would obviously be higher than it is now. I understand your grievance—and it is a very just and proper grievance—is that you have consented to a very much lower price than you could otherwise have obtained, in order that that low price should be the governing factor; whereas the governing factor is not that, but an equalisation of prices in order to avoid loss over the American purchases, and also in order to avoid the consumer here paying upon the higher level of the American prices instead of at a mean arrived at by a process of pooling. You do get part of your object, but not all.

Sir JOSEPH WARD: The position is as you say, with one material alteration, and that is that upon the New Zealand mutton and lamb the price is raised by the Food Department to the extent of 3d. upon the consumer here, and that 3d. is used for the purpose of paying a higher price for American beef—not mutton and lamb.

Mr. CLYNES: There is no objection to that on the part of the consumer, for the reason that the consumer has no choice; he cannot select his particular class of meat, but must take what he can get. Similarly, we have no choice, we are driven to the markets to which we are compelled to go according to shipping opportunities and available meat supplies. Rationing compels us, in short, to do business upon lines totally different from pre-war conditions.

Mr. MASSEY: There is a point which I want cleared up, and which I hope you are going to clear up, if not now, later. You import from America two classes of meat—first, meat which is raised in the Argentine, and within the last twelve months or thereabouts, a large quantity of meat from the United States themselves. So far as the Argentine meat is concerned—and I am clear about this—the meat purchased from the people who control the Argentine market costs as much as the meat from New Zealand and Australia; in some cases we were getting a little more. And the other point is this; I have been told that the meat which came from the United States was very inferior in quality. I want to know whether Mr. Clynes can tell me—I do not expect an answer now, because I know he is new to his present office and I do not want to be unjust—whether any change has taken place in the Argentine meat since the contract with Australia and New Zealand was made, whether they have had their price put up, or whether the increased price is being paid only for the meat from the United States, and that it is there we are called upon to make up the deficiency.

Mr. COOK: This Report says that the export of beef from the United States stopped in 1912.

Mr. CLYNES: I have not at the moment the information myself to enable me to reply to that question. I do not know whether Sir Albert Stanley has.

Mr. MASSEY: Sir Thomas Robinson will remember this—that when the arrangement with New Zealand was being made, especially the second arrangement—the first arrangement was made in 1915, and the second arrangement late in 1916, or early in 1917—we were informed then that the Argentine meat was costing less to the authorities in England than the meat from New Zealand and Australia, especially New Zealand, and that does not square with the statement that has been made to-day. What I wanted to have cleared up is whether the excess price is being paid for the meat which comes from the United States, and whether it is in connection with the deficiency on that meat that the New Zealand and Australian meat is being sold at a higher price in the English market than it otherwise would be. Have I made my meaning clear?

Sir ALBERT STANLEY: Perfectly clear.

Sir THOMAS ROBINSON: The position was that up to the time Mr. Massey speaks of, the civilian meat which was coming into this country from the River Plate was approximately round about the same figure, but when the ships from Australia

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and New Zealand were withdrawn from that trade and sent to the United States for the conveyance of troops, a certain number of the River Plate steamers were also taken for the same reason; consequently the imports from Australia and New Zealand, and from the River Plate, fell off very considerably. The only means by which that deficiency could be made up was by imports of meat—beef, as a matter of fact—from the United States.

Mr. MASSEY: That was the point I was coming to.

Sir THOMAS ROBINSON: The effect of that additional demand on the price of meat in the United States has been to put it up from about 6d. a pound in November last to about, I think, 1s. 1d. to-day. But while those steamers which were previously engaged in carrying meat from the River Plate and from Australia and New Zealand are engaged in the service of transporting troops across the Atlantic that is the only source from which the Ministry of Food can get their meat.

Mr. MASSEY: I quite follow your answer.

Sir THOMAS ROBINSON: And whenever that position is past, then one would hope there would be something more like equality in price established again.

Mr. COOK: There is a difference as between 6d. and 1s. 1d.

* Sir THOMAS ROBINSON: That is the extent to which the price of beef has risen in the United States between November and June.

Mr. MASSEY: I want to follow that up with another simple question, and it is this. If it was possible to do without this meat from the United States—I am not speaking now of Plate meat—then would it be possible for you to reduce the price to the consumer in Britain?

Sir THOMAS ROBINSON: Well, you see, Mr. Massey, the difficulty is this. We could reduce the price if we did as the Government were doing prior to that arrangement which I am now describing—we could sell the New Zealand and Australian, and part of the Patagonian, meat at a lower price as far as the wholesaler is concerned; but when it gets into the retail shop the public are unable to identify the meat coming from a particular source, and the unscrupulous butcher will sell the whole of the meat at prices equivalent to the higher costs.

Mr. COOK: What is the reason of this increase, Sir Thomas—this huge jump in American meat?

Sir THOMAS ROBINSON: That I am not able to say, I am afraid.

Mr. CALDER: The supplies are not in the United States.

Mr. MASSEY: And they are able to sell the supplies they have at a very high price.

Mr. CALDER: Really that is because there has been a certain amount of economy at home. They have been conserving their food supplies during the last few months, and as a result of that they have certain surplus meat supplies which they are able to send here.

Mr. COOK: At 1s. 1d. It suggests itself to my mind that there is an easy way out of this. Why not get Mr. Hoover to buy the meat over there for you—commandeer it?

Mr. WINTOUR: All the prices are fixed by Mr. Hoover.

Sir JOSEPH WARD: I want to put a question to one of the responsible Ministers, Sir Albert Stanley or Mr. Clynes, because I think it ought to go on record for the purpose of enabling us to understand clearly and explain what is a new phase of this very important and difficult question. It is this. Is the increased price which you are using—3d.—made mainly on New Zealand mutton and lamb due to the fact that the necessities of obtaining men from America have required the transfer of refrigerated ships from New Zealand and Australia in order to carry increased numbers of men?

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Mr. CLYNES: As to the shipping aspect precisely, I could not say yes or no. Perhaps Sir Albert Stanley could.

Sir ALBERT STANLEY: I could not, either.

Mr. MEIGHEN: Is this for us? Is it not rather for the Board of Trade and the Government than for us?

Sir JOSEPH WARD: I am putting that question because it is only fair to the Dominions concerned that we should know what is the alleged cause, so that we are in possession of all the facts.

CHAIRMAN: I would suggest that that kind of information would be better got if you left it with the President of the Board of Trade. He will have inquiries made and get it for you. He cannot give it you off-hand.

Mr. COOK: I am not sure that it bears directly on this proposal.

Mr. CLYNES: With regard to the point put by Mr. Cook, I think I may say that my information shows that we are buying at the same price in America as the Americans themselves pay for the meat supplied to their own Navy. It is done through our buyers there.

Mr. MASSEY: The remedy is to do without those supplies as quickly as possible, and while I cannot speak from knowledge of the facts, but only from information derived from the newspapers and from statements made to me, my information is that there is more meat in the United Kingdom to-day than there has been at any time since the war commenced. And there is no question that in some of the oversea countries there is more meat—I am speaking more particularly of New Zealand—than at any time since we made the arrangement of 1915. I think the remedy is to do without this high-priced meat if you can.

Mr. CLYNES: I do not quarrel with your remedy, but in the meantime, while we are driven to these extremes, I submit it is not unfair for us to charge our consumers a higher price for one kind of meat in order that there shall be a general average price applying to the whole of the meat, which under a rationing system you must have.

Mr. MASSEY: Yes, but you are making the producer in New Zealand and Australia pay for it.

Mr. CLYNES: No, the consumer here.

Mr. COOK: You can hardly say the producers are made to pay.

Mr. BURTON: I think there is a misconception.

Mr. MASSEY: I think, on the understanding that this matter is to come up again, we might agree to the resolution.

CHAIRMAN: Will you have the resolution as drafted originally, or do you wish that withdrawn and substituted by the one which Mr. Cook has handed in?

Mr. LLOYD: I suggest that we take Mr. Cook's resolution in place of mine, with the words "the object in view" struck out and these words substituted, "to secure such development within the Empire as will secure this object."

CHAIRMAN: Do you object to that, Mr. Cook?

Mr. COOK: No, certainly not.

CHAIRMAN: Is it the pleasure of the Conference that the original resolution be withdrawn?

[Agreed.]

CHAIRMAN: Then the resolution now before the Conference is the one moved by Mr. Cook, with this amendment at the end, moved by the Prime Minister of Newfoundland, that the words "the object in view" be struck out, and the words "to secure such development within the Empire as will secure this object" substituted. Is it your pleasure that the resolution, as amended, be adopted?

The resolution was then agreed to in the following terms:—

"The Conference welcomes co-operation among the Governments of the Empire to ensure that the Empire shall become as far as possible self-sufficing in the matter of meat supplies, and recommends the examination by the

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[8 July 1918.]

CHAIRMAN—cont.

Governments concerned of the recommendations of the Committee upon Imperial Meat Resources, and the adoption of such legislative and administrative measures as are required for such development within the Empire as will secure this object."

Enemy Debts.

CHAIRMAN: The next item on the agenda is Wool Supplies, which will go to the Sub-Committee on Raw Materials. Then, the next subject is Enemy Debts, and then we have two smaller questions—Imperial Statistical Bureau and Imperial Bureau of Mycology. Shall we go on to deal with Enemy Debts?

Mr. MEIGHEN: Are we ready for the discussion of that?

CHAIRMAN: As far as I know. A memorandum has been circulated for some time.*

Mr. MEIGHEN: I have read the Memorandum, Mr. Long, and I hasten to say that my impressions of it are of a much more favourable character than those I formed of the last one. I think it is an excellently worked-out plan. I think it is fair to each country concerned. It was not quite clear to me at first that each Dominion would have a Clearing House of its own, and be responsible for its own obligations. That matter, however, having been made clear, I think the whole scheme is good, and I have no hesitation in supporting it.

CHAIRMAN: Mr. Meighen has supported the resolution, and has asked no questions. Does any member of the Conference wish to ask questions; if so, Mr. Baldwin is here to answer them?

Mr. STANLEY BALDWIN: I should like to apologise for the absence of the Chancellor of the Exchequer, who had to stay in the House of Commons. And Sir Donald Maclean, the Chairman of the Enemy Debts Committee, waited here for some little time, and had to go back to act as Deputy Chairman this afternoon.

Mr. MEIGHEN: I have only this suggestion to make, which is of a very minor character. In the body of the Memorandum it appears that the period of the war is to be taken as excepted in the calculations of the Statute of Limitations. It appears to me that not only the period of the war should be excepted, but also the period subsequent to the war and pending settlement of the claim—that is to say, the whole period from the commencement of hostilities.

Mr. STANLEY BALDWIN: We shall be glad to consider that. What we are most anxious to get to-day is a general approval of the principle, because until we get this settled we cannot mention it to the Allies so as to get them to act together with us. There are many points of detail which have to be worked out and on which you might desire to consult your own Governments.

Mr. MEIGHEN: The principle appears to be sound.

Mr. STANLEY BALDWIN: It has been very carefully considered, and I think it is a good scheme. It makes for expedition, and I think it will ensure debtors getting better results than if they were left to negotiate by themselves.

Mr. MEIGHEN: It is very carefully developed, and is an excellent Memorandum.

Sir S. P. SINHA: Speaking for India, I think the scheme will suit us very well. Without it, I am sure we could not recover all the property that we have in enemy territory.

Mr. BURTON: Mr. Baldwin, would you mind telling us how the plan would work out in the detailed execution of it? What about the executive power necessary to get these things paid? What courts will deal with it—any courts?

Mr. STANLEY BALDWIN: It will be a Commission.

Mr. BURTON: I wanted to get at that. You are going to have a Commission. And what about appeal—to whom are you going to appeal? I agree with Mr. Meighen about the scheme generally, but the thing that troubles me is about the final tribunal.

* See page 291.

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ENEMY DEBTS.

[7th Day.]

Sir MALCOLM RAMSAY: The proposal is that a special appeal tribunal should be set up by agreement between the belligerents, to which disputed cases would be referred in cases where neither the enemy Clearing Office nor the British Clearing Office were able to come to an agreement. That is developed in paragraphs 30 and following of the Report of the Committee.

Mr. MASSEY: Could you give an illustration of the point?

CHAIRMAN: What the Treasury hope is that the Conference will be good enough to express general approval of their recommendations, including those questions, under head (b) at the end, which may require legislation.

Sir JOSEPH WARD: I agree with the principle, and I assume that the reason for the principle which is underlying these proposals is due to the fact that after peace has been proclaimed, and an adjustment requires to take place in connection with the peace terms with the people affected within the different portions of the British Empire, those settlements could not be carried out by the several Governments, but would require to be settled by the British Government on behalf of the whole.

Sir MALCOLM RAMSAY: Yes, that is the proposal.

Sir JOSEPH WARD: Well, I take it that with a view to your communicating with the Allies, in order to have an understanding of the basis you are to work upon, that you want approval of this?

Sir MALCOLM RAMSAY: Quite so.

Sir JOSEPH WARD: I have read this Memorandum, and it seems to me that the principle is a good one, and so are the proposals to meet the conditions that have arisen.

Mr. BURTON: What I want you to clear up for me is this. Take a disputed claim—I want to understand the procedure. Supposing the recommendation of the Committee is accepted, I want to see how it is going to work. Will the British Government sue its national for a disputed debt alleged to be due to a German subject, and will the German Government sue its national for a disputed debt alleged to be due to a British subject?

Sir MALCOLM RAMSAY: The question whether there is a debt or not will first of all be settled by the Clearing Offices; each party will be heard, and it will be the duty of the Clearing Offices to decide whether there is a debt or not. The German Clearing Office will communicate with the German debtor, hear his case, and decide whether a debt is admitted from the German subject to the British, and *vice versa*. In cases where the Clearing Offices cannot agree, it is proposed to set up a special tribunal which will adjudicate whether the alleged debt is a good one or not. When that is once settled, either by agreement or by the appeal tribunal, then it will rest with the Clearing Office to take whatever steps may be appropriate in its own country to recover the debt which has been determined to be due.

Mr. BURTON: Then it comes to this—that there is to be this final tribunal, which will deal with cases of that sort. You are going to set up that tribunal.

Sir MALCOLM RAMSAY: That must be so.

Mr. MEIGHEN: I should like to add this to what I have said. The principle is sound, and I think it has been very well worked out. As to Mr. Burton's point, I think it is right that upon the establishment of a claim the Government should be responsible for collecting the debt. But in Canada civil rights are subject to the jurisdiction of the Provinces, and that affects the whole question of the collection of those debts. I think the recommendation is sound, but our approval of it must be taken in the light of that fact. In so far as the Dominion Government can assist in the working of it out, I do not doubt myself they would be well advised to follow out those lines.

Mr. COOK: Have not you powers in your Constitution which enable you to deal with all matters arising out of the war?

Mr. MEIGHEN: No; that is only under our War Measures Act, which cannot trespass constitutional limitations.

7th Day.]

ENEMY DEBTS.

[8 July 1918.]

Mr. BURTON: We have another little difficulty, which perhaps you will clear up for me.

CHAIRMAN: Sir Donald Maclean is here.

Mr. BURTON: We have an Enemy Trading Act in South Africa, as you have here. We are not quite sure that the provisions of our Act go far enough to prohibit a debtor in the Union from paying his debts in the Union, once peace is an accomplished fact.

Sir DONALD MACLEAN: We should want legislation also.

Mr. BURTON: I suppose you will legislate in such a way in the British Parliament as to make your legislation applicable to all the Dominions as soon as they pass the necessary legislation there. That is how it will work, I take it?

Sir DONALD MACLEAN: That is the idea, yes.

Mr. BURTON: The point I was putting a moment ago was this: I was rather concerned about the British subject who claims to be paid in Germany getting justice from a German court or tribunal of any sort as to this debt of his.

Sir DONALD MACLEAN: Quite so.

Mr. BURTON: But this final appeal court will settle all that?

Sir DONALD MACLEAN: Yes. If the debtor wished to use the courts he could, but he has the option of using the appeal tribunal if there is any difficulty. We had it very present to our minds, of course, what might happen in the German courts.

Sir JOSEPH WARD: Is there any power proposed to be taken by which you could pool the amount of indebtedness of German creditors, and hold on to it until they did justice to ours?

Sir DONALD MACLEAN: Yes; that is the principle on which the scheme is founded.

Sir JOSEPH WARD: In the case which Mr. Burton referred to, if the German debtor were to avail himself of unfair decisions in the law courts, is there power to say, "Very well, that is, according to our lights, an unjust decision," and we will hold what is due to German creditors until that has been fairly and "properly treated"?

Sir DONALD MACLEAN: In that case it would come before the appeal tribunal, and the whole matter would be held up until that tribunal—which is assumed to be composed of impartial persons—came to its decision.

Mr. MASSEY: On that point, can you give us any idea of whom the tribunal would consist—because it seems to me it all depends upon that?

Sir DONALD MACLEAN: Well, we did not go very far into that. We simply indicated that this appeal tribunal would be composed of persons who would be agreed between the two Governments.

Mr. MASSEY: The present enemy Governments and the British.

Sir DONALD MACLEAN: Quite.

Mr. MEIGHEN: I do not suppose you are prepared to give your opinion as to where the balance of obligation lies as between the British Empire and its Dominions and the German Empire?

Sir DONALD MACLEAN: The figures show that we are on the wrong side altogether, except that I may add this—that as far as South Africa is concerned it is in a very favourable position; they hold German assets to an extent I do not know how many times more than the debts they owe to Germany.

Mr. BURTON: Yes. We know we are all right there.

Sir DONALD MACLEAN: And that applies to New Zealand also and to Australia.

Mr. MASSEY: I thought we were all right. We have some very valuable assets.

8 July 1918.]

ENEMY DEBTS.

[7th Day.]

Sir DONALD MACLEAN: The Germans owe us many, many millions more than we owe them.

Mr. MEIGHEN: Yes, that is the United Kingdom—but taking the Empire as a whole?

Sir DONALD MACLEAN: Yes, that is still the case, lumping the United Kingdom and all the Dependencies.

Mr. MEIGHEN: As between ourselves (that is, the British Empire) and the German Empire, where would the balance be? Would it be against the British Empire ultimately?

Sir DONALD MACLEAN: Against the Empire in this sense—that the Germans owe us as a whole far more than we owe Germany. In one sense the Germans will be much worse off than we are; in another way we shall be worse off, because they may not be able to pay us.

CHAIRMAN: A resolution has been circulated and is before the Conference.

Mr. MASSEY: I think, after the explanation we have heard, we can agree to it.

CHAIRMAN: Do you wish it read? It is as follows:—

"The Conference having had under consideration the Report of the Enemy Debts Committee, dated 23rd January 1918, and a secret memorandum dealing with returns made in regard to debts and property, expresses general approval of the principles recommended by the Enemy Debts Committee in their Report, dated 23rd January 1918, for the settlement of pre-war debts by Government intervention by means of a clearing scheme, and agrees that in the event of these principles being accepted by the Governments of the Allied Powers, the Governments of the Dominions should appoint delegates to confer in this country with representatives to be appointed by His Majesty's Government as to:—

"(a) Legislation necessary to give effect to the recommendations of the Committee in the event of the same being adopted in whole or in part by arrangements with the enemy Governments made in the Treaty of Peace.

"(b) Questions on which recommendations have been made by the Enemy Debts Committee which will require legislative action in any event."

[The Resolution was then put to the Conference, and carried unanimously.]

Order of Business.

CHAIRMAN: Then about demobilisation. Is not that too big a subject to take now? The other two are minor questions, which we might dispose of.

Mr. MASSEY: With regard to demobilisation, I should like to have a day's notice of its coming on, because I want to prepare something for it.

Message from His Majesty the King.

(See p. 69 of [Cd. 9177].)

Imperial Bureau of Mycology.

(See pp. 69-71 of [Cd. 9177].)

EIGHTH DAY.

Wednesday, 10th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present and the Proceedings are printed on pp. 72-94 of [Cd. 9177].

Double Income Tax.

(See pp. 73-80 of [Cd. 9177].)

Imperial Statistics.

(See pp. 80-87 of [Cd. 9177].)

Imperial Mineral Resources Bureau.

(See pp. 87-92 of [Cd. 9177].)

Imperial News Service.

(See pp. 92-94 of [Cd. 9177].)

Order of Business.

See p. 94 of [Cd. 9177].)

NINTH DAY.

Thursday, 11th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 95, 96 of [Cd. 9177].)

Dye Industry.

(See pp. 96-104 of [Cd. 9177].)

Shipping.

(See pp. 104-112 of [Cd. 9177].)

The part in [] was omitted from p. 108 of [Cd. 9177].)

Mr. MASSEY * * * * If it had come three or four months later, or four or five months earlier, we should have been in very serious difficulties indeed, and I am not sure that we shall not be in very serious difficulties now. [Only last night I had a letter from the Food Control Department in which it was stated, referring to the output of butter and cheese from Australasia—that is, Australia and New Zealand—that the output for the current season would be 104,000 tons; that there would be about 9,000 tons of arrears from last season added to that 104,000 tons, and that the whole of the shipping available for lifting this would not amount to more than 3,000 tons per month. Well, you can see the difficulty we are going to be in—36,000 tons to be lifted out of 113,000 tons. What is going to happen to the balance? That is what we have to face, and I am afraid the people of our country do not understand it yet. But that is the position we are in. Mind you, I am optimistic enough to think that the estimate is a low one, and I hope we shall be able to do as well as we did last season. I am not blaming the Board of Trade, but I am simply stating the fact. If the estimate of the Food Controller's Department is correct, what is going to happen to the two-thirds of the output of our dairy farmers that we shall not be able to ship? I cannot solve the question, or even make a suggestion. And that refers only to the present position.] With regard to the future, when the war comes to an end, &c., &c.

The part in [] was omitted from p. 110 of [Cd. 9177].)

Sir JOSEPH MACLAY: I entirely approve of one Board. I think it would be a mistake to have two. I think there would be no difficulty in dealing with it. [Perhaps I may say that the shipping position a few months ago was serious in the extreme. In order to bring troops from the United States it became necessary to use shipping usually engaged in distant trades in order to carry those men. That policy has been successful, and this month I think, between American tonnage and our own tonnage, something like 300,000 men will be brought over.

CHAIRMAN: That is only from the United States of America; that is in addition to the men from other parts?

Sir JOSEPH MACLAY: Yes; I am speaking of the United States of America, and not including Colonies. In July, as I have said, we expect to bring 300,000 men from the United States. Tonnage has been provided for that. It was felt by the War Cabinet that was the one important thing—to bring men over as speedily as possible. I think it may be said that the shipping position is improving somewhat, and we are not unhopeful that before the year goes out we may be able to divert a few of the ships which usually run in the New Zealand trade back to their own proper work.

Mr. MASSEY: I hope they will not be a few?

Sir JOSEPH MACLAY: You may be sure the best will be done, as far as the Shipping Ministry is concerned. The question is constantly in front of us, and we are entirely sympathetic with what has been said here.

Mr. BURTON: I hope that applies also to South Africa.

Sir JOSEPH MACLAY: It applies all round.

9th Day.]

SHIPPING.

[11 July 1918.]

Mr. BURTON: You mentioned only two places.

Sir JOSEPH MACLAY: I do not want to put it too high, because we do not know what may happen, but there is reason to anticipate better things, and by next year, if the shipping improves, then 1919 should be better than 1918.

CHAIRMAN: I can answer for it of my own knowledge that Sir Joseph Maclay has underrated the continuous efforts of the Ministry of Shipping to meet these difficulties, and really it has been the case that one overwhelming demand has followed another. First of all, it was the absolute necessities of life, and then came this pressing necessity, which everybody round the table knows and understands without my enlarging upon it, of bringing over American troops with as little delay as possible. And I may venture to remind the Conference that Sir Joseph Maclay comes from a country which is distinguished for its caution, and therefore we may fully hope that we shall realise all that he has indicated to us.

Mr. HUGHES: I had forgotten that. I was going to say it was one of the most depressing statements I have ever heard in my life, but I begin to see daylight.

Sir JOSEPH MACLAY: Of course, it must be realised that we have not only to keep our own country supplied, but also France, Italy and Russia. The pressure has been, beyond words, tremendous, and if you gentlemen take time to read the document which we submitted to the Imperial War Cabinet, I think you will find there exceedingly interesting data as to what the difficulties with regard to the shipping have been. You can easily judge from that document what has been the state of matters.

Mr. MASSEY: We understand the difficulties thoroughly, and I may tell you I quite appreciate all the work which has been done by the Ministry of Shipping.

Mr. HUGHES: Are you referring to the new construction, or to ships already afloat?

Sir JOSEPH MACLAY: Both.

Mr. HUGHES: May I put this to you? When I was in America some little time ago there was a good deal of optimism with regard to the number of ships they could build there. I do not know whether you have any information about that, but it would never do for us to tell the people of Australia merely what you have said without some qualification or addition, because we have there a position which has to be met. I admit that it may be met not necessarily by shipping; it may be a question of finance; but somehow it has to be met.

Mr. MASSEY: The difficulty both with you and me is this. We are up against the new season and our stores are full, and while it is a very good thing to hear of these ships which are being built—because, though they are not New Zealand ships, they may be able to release New Zealand ships which are being used for another purpose—still, it is the coming season that is the trouble. I have mentioned butter and cheese. We have to-day in the stores of New Zealand 5,000,000 carcasses of meat. The stores are filled to the doors, and we are commencing the new season in six weeks. That is the trouble.

Mr. HUGHES: It would be an interesting thing to know where all the refrigerating tonnage at the disposal of Britain is, and what it is doing. We have been told something about fetching troops from America. I do not think that will dispose of the whole matter.

Sir JOSEPH MACLAY: You have to keep in mind that we are bringing enormous quantities of meat from the River Plate. We can bring in two cargoes easily as compared with one from New Zealand and Australia, and it has been an absolute necessity to bring the imports required from the nearest point. I hope before you go, Mr. Hughes, you will favour us with a visit, and we will show you the figures.

Mr. HUGHES: Yes, I will. I will not go until you do.

Sir JOSEPH MACLAY: The Americans tell us that as far as they are concerned they will have no tonnage to spare this year, and we do not think they will. That is their position. I thought I was giving rather a hopeful than a pessimistic impression altogether. The impression I wanted to convey is that on the whole the position is not so bad, and we hope we shall soon be able to give the relief in the direction of which Mr. Massey speaks.

11 July 1918.]

SHIPPING.

[9th Day.]

Mr. HUGHES: How many ships of ours have the French got?

Sir JOSEPH MACLAY: They have nearly 100 large steamers running in general trades. Those are under their special cognisance, but we are carrying enormous quantities outside those. They have in addition a large fleet of small ships. We are dealing more and more at the present day with supplies rather than with ships: we undertake to convey certain quantities to France, trying to keep the control of the shipping in our own hands. In the early days of the war, the French got a certain tonnage allocated to them, which was a mistake, but it had to be done. We are gradually getting them back.

CHAIRMAN: Would it not be better to put all this more fully before Mr. Hughes when he visits the Shipping Ministry?

Mr. HUGHES: Yes. This is a matter which Mr. Massey and I are extremely anxious about, because if we do not find a remedy we shall be in a bad way. We are committed in Australia, so far as butter is concerned, to an advance of 6,000,000% to 9,000,000%; we have advanced that for the butter there, and it will not probably be merely one-tenth or one-sixth, but putting it moderately, three-fourths of that will not get away. That is what it looks like if what Mr. Massey says is correct.

Mr. MASSEY: These are official figures which have been supplied to me.]

Mr. BURTON: Is your Resolution intended to deal with the existing state of affairs?

&c. &c. &c.

Inter-Imperial Parcels Delivery.

(See pp. 112-113 of [Cd. 9177].)

Order of Business.

CHAIRMAN: That concludes the business for to-day. About Monday there is some little difficulty. We cannot take then the question of Naval Defence. The Minister of the Naval Service in Canada and the Minister of Militia are both going to France, and will not be back until the end of next week, and the Naval question we cannot take. Demobilisation also we cannot take until they are back.

Mr. MEIGHEN: We can dispose of all other subjects.

CHAIRMAN: We have gone more rapidly than it looked as if we would be going at one time. We have dealt with meat supplies, wool supplies, and enemy debts. Demobilisation we cannot take. Dyes we have dealt with. Settlement of ex-Service men we can take very well.

Mr. MEIGHEN: Yes, we can take that.

CHAIRMAN: We will take that on Monday.

Mr. MEIGHEN: What about to-morrow?

CHAIRMAN: To-morrow is the Cabinet.

Mr. LLOYD: It is all very well for these gentlemen to be pressing on like this, but we are not all in the same position. They have three or four members present and can split up the work, but in the case of Newfoundland one person has to attend all the meetings, and with such dispatch it is impossible.

CHAIRMAN: What does this imply?

Mr. LLOYD: Rushing the work. It is not possible for one man to attend to it. It is all right for Canada.

CHAIRMAN: There is no question of rushing.

Mr. LLOYD: It is rushing.

CHAIRMAN: To-day is Thursday, and that leaves us till next Monday.

Mr. LLOYD: The point is with regard to to-morrow.

CHAIRMAN: Oh, no.

Mr. MEIGHEN: I referred to to-morrow.

CHAIRMAN: That is a mistake. There is no question of rushing. Ex-Service men we will take on Monday. The alien shipping question goes to the same Committee.

Mr. MEIGHEN: That is not settled. It is raised by the Government of India.

Sir S. P. SINHA: It was for a different Committee.

CHAIRMAN: If it is not to be considered by the Committee which is appointed we will take it on Monday.

Sir S. P. SINHA: That depends on what you will refer to the Committee appointed to-day.

CHAIRMAN: It is an Indian question, and it is for you to say. We do not know about the motion.

Sir S. P. SINHA: I am afraid I am not prepared to put it forward on Monday.

CHAIRMAN: Cable facilities we can take for Monday.

Mr. BURTON: How much have we left, Mr. Long?

CHAIRMAN: We have not a great deal now, you know.

Mr. BURTON: I am very glad to hear it.

CHAIRMAN: We have two big questions, the Admiralty Memorandum and the Pacific question. We cannot take them on Monday. Then there is demobilisation. Medals we can take, I should think, on Monday. Then there are two questions which come from Australia—the Constitution of the Privy Council and Channels of Communication. But we have no Resolutions about them. Notice is given by the Prime Minister.

Mr. COOK: I will see about them.

CHAIRMAN: Do you think we could put them down for Monday? We have probably got enough.

Mr. BURTON: If I may suggest, I think you had better not put that down for Monday.

CHAIRMAN: On Wednesday we could take these other questions, and then there is reciprocity between India and the Dominions. That is an Indian question.

Sir S. P. SINHA: That is, I understood, fixed for Friday next—to-morrow week.

CHAIRMAN: Yes, to-morrow week. Then, unless we have some fresh Resolutions handed in, we ought to be able to get through, not next week, but certainly the week after. We cannot do so until the week after, because we have these naval questions which must await the return of the Ministers.

TENTH DAY.

Monday, 15th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11.45 A.M.

The names of those present are printed on pp. 114–115 of [Cd. 9177].

Imperial Mineral Resources Bureau.

(See pp. 115–123 of [Cd. 9177].)

Central Emigration Authority.

(See pp. 123–125 of [Cd. 9177].)

Order of Business.

CHAIRMAN: The next question is with you, Mr. Meighen—cable facilities.

Mr. MEIGHEN: We suggest that that stand for the present, for the reason that it may be possible to get along without the Conference taking it up at all, unless the representatives of other Dominions wish to do so. It might be dealt with merely by conference with the British Government. So far as we are concerned, Mr. Rowell has that chiefly in hand, and he will be at the Conference on Wednesday, or this afternoon.

CHAIRMAN: You will not be here?

Mr. BURTON: We may not require to be here this afternoon.

Mr. COOK: We are cleaning the slate.

CHAIRMAN: You are a little sanguine, Mr. Burton, I am afraid.

Mr. BURTON: We might make an effort, anyhow.

Sir JOSEPH WARD: I hope the matter will come before the Conference, in any case. I have a notice of motion which I brought up for this Conference, and I intend to give notice of motion in regard to it. And in dealing with this matter I want to have considered the motion of which I gave notice last year.

CHAIRMAN: We will take it first at the afternoon sitting.

Mr. COOK: Is there any proposal about this cable matter?

Sir JOSEPH WARD: I give notice of the same motion as last time.

Mr. COOK: What is it?

Sir JOSEPH WARD: It is on the records: "That it is in the highest interests of the Empire that the rates for telegraphic communications between the United Kingdom, Canada, Australia, South Africa and India should be further materially reduced. That there is real necessity for improvement in the news service of the Empire and that it is essential that Imperial news should reach the various countries of the Empire through British rather than foreign channels. That in order to ensure generally the cheapest and most secure telegraphic communication between the United Kingdom, Canada, Australia, and New Zealand, it is necessary they should co-operate in the provision of a State-owned cable across the Atlantic and a connecting land line from Nova Scotia to Montreal, which should communicate with the line across Canada now leased by the Pacific Cable Board. That it is of vital importance that the United Kingdom, Canada, Australia, New Zealand, South Africa, Newfoundland and India should co-operate in the maintenance and further development of a chain of British State-owned high-power wireless stations within the Empire."

Mr. COOK: I have a lurking recollection that I tabled some resolutions on that subject in our own Parliament many years ago.

10th Day.]

ORDER OF BUSINESS.

[15 July 1918.]

Mr. MEIGHEN: We will take it up this afternoon.

CHAIRMAN: Yes, we will take the cable facilities at this afternoon's meeting. The only other subject on the paper for to-day is medals, which is raised by New Zealand.

Here is a collection of papers which has just been sent to me by the Air Board. Reports of the Civil Aerial Transport Committee, with a print of a summary of these reports. The Air Ministry expresses the hope that it may be possible for the Imperial War Conference to consider them. They are very bulky. I believe—I am taking my information entirely on trust—they involve a great many difficult problems. I rather doubt whether the Conference will care to embark upon all this at so late a stage. It would mean circulating all this material, which would take a long time to read. But if the Conference wishes, I will have it circulated.

Mr. BURTON: That looks a very difficult thing to undertake, in addition to everything else we have got.

Mr. COOK: Could you get a précis prepared on the subject?

CHAIRMAN: There is the material. There is nothing settled yet. I think it is all vague.

Mr. BURTON: Do they suggest we should settle it?

Mr. MEIGHEN: I have no hesitation in committing my colleagues to any amount of work: I shall not be here myself.

[After an Adjournment.]

Mr. ROWELL: Mr. Chairman, you will remember the Resolution passed at the Conference last year in reference to the health of the Dominion troops.* At the opening session of the Conference you reported on the steps which had been taken by your Government to give effect to that Resolution. We would like the matter put on the agenda for consideration of the steps which have been taken to carry out the Resolution.

Mr. HUGHES: What is that?

Mr. ROWELL: The question of the health of the troops—venereal disease. We would like the question put down again, to consider the steps taken by the Imperial Government, pursuant to the Resolution of the last Conference. If there is nothing of more urgent importance, it might go on for Wednesday or Friday.

CHAIRMAN: It can go on, certainly. On Wednesday we have got two Australian Resolutions of yours, Mr. Hughes.

Mr. HUGHES: Yes. I am unable to say whether we can finish them or not, but I am prepared to go on. There are three Resolutions: one dealing with the Pacific, one dealing with Channels of Communication, and one dealing with a Court of Appeal, and I am prepared to take them in any order you like.

CHAIRMAN: Will you take them on Wednesday?

Mr. HUGHES: Yes; subject, of course, to whether there are any extraordinary Imperial War Cabinet meetings.

CHAIRMAN: Yes; subject to that. Then I think we were going on to deal with the Admiralty question as to Naval Defence. Channels of Communication and the Court of Appeal—they would take all day, would they not?

Mr. HUGHES: I should say so; they raise some rather large issues, of course. And they deal with matters of general interest, as well as those matters that are covered by their titles.

* See page xvi. of *Dominions* No. 62.

15 July 1918.]

ORDER OF BUSINESS.

[10th Day.]

CHAIRMAN: We could take the health of the troops on Friday, Mr. Rowell.

Mr. ROWELL: That would be quite satisfactory.

CHAIRMAN: Venereal diseases will be put down first for Friday. We can get the War Office people over. Sir Joseph Ward has got the next Resolution: it is one he gave notice of last year, but he is not yet here.

Mr. HUGHES: I think if we were to refer it to a Committee we should arrive at one stroke at what we should come to after half an hour's discussion.

Medals.

CHAIRMAN: We can take medals, if you like, and postpone the other matter.

Mr. ROWELL: We will take that, Mr. Long—medals.

Mr. MONTAGU: Is this medal question raised by New Zealand?

CHAIRMAN: They are very much interested in it.

Mr. COOK: Is there anything fresh about these medals?

CHAIRMAN: The War Office have got some fresh proposals to make. This topic was fixed for a quarter to four. The whole question is as to whether there is to be a medal for the Gallipoli campaign, or whether there should be a general medal, with a clasp for Gallipoli. That is really the whole thing, and there has been some difference of opinion.

Mr. HUGHES: Of course, we are very much concerned with that. I do not know what their idea is. Shortly, my idea is, that the Gallipoli campaign falls, as far as Australia is concerned, into the same order as the campaign carried out by the British Expeditionary Force, but is sufficiently distinct from it to have some claims to separate treatment. As to whether those claims are strong enough to warrant a separate medal, is another thing. It is clear and distinct for us.

Mr. ROWELL: It is undoubtedly a distinct campaign, but I understood the view of the Conference last year was that one common medal for those who had served in any theatre of war would be better than separate medals for the various theatres.

CHAIRMAN: With bars for the different great battles.

Mr. COOK: Did you do that with regard to the first Expeditionary Force?

CHAIRMAN: Are you speaking of the 1914 star?

Mr. COOK: Yes.

CHAIRMAN: That stands by itself. Those who were serving then have a special star, not a medal. That is for everybody who took part in the 1914 campaign.

Mr. COOK: Anywhere?

CHAIRMAN: Anywhere. But this is the old question, I understand, of whether you are to grant a medal or a clasp for a campaign which does not succeed. That has been, apparently, contrary to the rule of the War Office always. And last year the discussion turned upon whether there was to be a medal, as Mr. Rowell has said, for the whole campaign, with clasps for the different battles.

Mr. HUGHES: Of course the War Office must have some regard for circumstances. There is no hard-and-fast rule to lay down: they themselves, if there is, have broken it. But in this Gallipoli campaign the Anzacs first made their appearance as such, and we attach tremendous importance to it. It was really an epoch-making event in our history. And, without wishing to draw distinctions between that campaign and others, and admitting that the scope of the operations and the number of men employed are not to be compared for one moment with the operations in France, yet, on the other hand, Agincourt and Crecy are small things on that ground: the whole question is what they stand for. This decoration symbolises a certain definite expression of national action and thought.

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Mr. MEIGHEN: If you adopt the medal and bar, and distinguish the Gallipoli campaign in that way, you do not intend to have any bars in respect to the other special campaigns, do you?

CHAIRMAN: I understand they will have bars for special campaigns, like the campaign of the Somme—certain things which stood out. But I do not think they have decided yet whether they will have one for each big offensive. For instance, there is the one started this morning.

Mr. HUGHES: I think there is no doubt whatever that if bars are to be granted at all, under any circumstances a bar will be given for Gallipoli—for the Dardanelles. There is no question about that. The question is whether there should be a bar or a separate distinction.

CHAIRMAN: Yes, that is right.

Mr. HUGHES: I am for a separate distinction in this case, for the reasons I have shortly set out. But, of course, the War Office has to be considered. On the other hand, the feelings of the people of Australia and New Zealand have to be considered.

Mr. MEIGHEN: But the Conference last year discussed and passed a Resolution upon it, and would we not have to reverse our decision?

Mr. HUGHES: Australia was not present.

CHAIRMAN: There was no Resolution last year, was there?

Mr. ROWELL: Our position was stated very clearly by Sir Robert Borden last year on page 233 of the Confidential Report of the Conference.* This is the way Sir Robert put our position: "I would like to say that the forces of every Oversea Dominion will feel it very keenly if a clasp is given for one particular theatre, or a series of engagements in a particular theatre, and no similar recognition is given to them for their services in other theatres. I would strongly deprecate any such course as that." In other words, all the overseas troops have, in their respective theatres of war, contributed to the success of the Allied cause, and there should be equal recognition of all overseas troops, whatever form it takes.

Mr. LLOYD: How is that to be done? Take the case of Australia, New Zealand and Newfoundland. Their particular theatre was in Gallipoli, and they want a separate distinction for that.

Mr. ROWELL: Their proposal was for a separate medal.

Mr. LLOYD: Is not that discriminating against those who did not happen to be in the particular theatre?

Mr. ROWELL: They say no.

Mr. HUGHES: What was the proposal?

Mr. ROWELL: Their proposal was for a separate medal, and Sir Robert Borden's view was that to give a medal for a particular theatre of war, without a similar recognition to other Dominion troops who had taken part in another theatre of war, would be likely to provoke dissatisfaction, and that the only basis on which we could proceed would be to recognise all the Dominion troops on the same basis—whatever principle was applied to one should also be applied to the other. That was the point.

Mr. HUGHES: But before you can apply a general principle like that, there must be an analogy in the circumstances. Take the Canadian troops, and compare them with those of Australia. What are the circumstances of the Canadian troops? That they have fought on the mainland of France and Flanders. The Australian troops have fought in France and Flanders, but they have fought in Gallipoli. And I think if you were to say the troops engaged in East and West Africa are not to have a medal for that particular campaign, there would be dissatisfaction. I cannot see how there would be any dissatisfaction caused in Canada by granting a special medal for East and West Africa to a man who also took part subsequently in battles in France and Flanders. The circumstances are quite distinct.

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Mr. MEIGHEN: He could have two bars to the medal, of course. Are you going to have a separate medal for each theatre of war?

Mr. HUGHES: I say you must have regard to the circumstances, and you must have regard to our feelings in the matter of Gallipoli.

Mr. MEIGHEN: Of course we should.

Mr. HUGHES: Frankly, I do not recognise the right of the War Office, or of any other Dominions, to say whether we shall grant a medal or not. I do not mind discussing it with you, but we shall grant a medal, or not, as we think fit. Now I come down to the merits. You have to consider the circumstances under which the Gallipoli campaign took place, and, as I tried to point out before, it really marked the birth of a nation, and this Anzac spirit has been responsible for the continuous flow of troops from the two Dominions. Had it not been for the Gallipoli campaign, I think that our operations would have been merged in so many others that probably we should not have been able to appeal to the national sentiment of Australia and New Zealand so strongly as we did when we were conducting a campaign of, relatively, minor character. Now, you have to consider. You give a medal not merely as a recognition of individual valour, but with regard for its effects upon the morale of a nation and the national life. And for that reason I think there should be a separate medal granted for Gallipoli.

Mr. MONTAGU: Mr. Hughes, may I ask you just one question? Supposing one of your soldiers fought in Gallipoli, was wounded severely in Gallipoli, so that he fought nowhere else, but went home, and you had a separate medal for Gallipoli, would you give him only the Gallipoli medal and no other?

CHAIRMAN: He would have the Great War medal, of course.

Mr. HUGHES: Before you came in, I had asked Mr. Long how the War Office distinguished the Expeditionary Force, and he said it was distinguished with a star. Very well, there you have destroyed your whole rule. You are going to give a medal for the Great War, and you give a medal for Mons—or any other campaign, but Mons will serve for an illustration. Why should not you do it for us?

Mr. COOK: I understood you to say, Mr. Long, that that applied to all the troops.

Sir FREDERICK PONSONBY: Yes, to all the men who were in France before a certain date.

Mr. COOK: Ours as well?

Sir FREDERICK PONSONBY: Yes; but there were no troops there from the Dominions before November 23rd, I think.

Mr. HUGHES: That is a medal issued to the regular soldiers—members of the British Army.

Mr. COOK: That is an invidious distinction to make.

Mr. HUGHES: It is no use saying to Australia, "You were not there till 1915." Of course they were not. The Australian soldier got there as soon as he could. We say, Here is a distinct campaign, sufficiently distinct for the purpose. Australia says, "This is distinctly Anzac, Australia and New Zealand, so distinct" as to make a passionate appeal to our national sentiment. Recognise it." That is all. We shall not quarrel with you if you distinguish in the same way other campaigns, such as those in East and West Africa, in which other Dominions have taken part. Certainly East and West Africa, I think, is such a case. A man may have fought in East and West Africa, and afterwards been transferred to France. Why should he not have a star for the Colonial campaign?

Sir FREDERICK PONSONBY: We went into the point about having a separate medal or star for each campaign, but it so happens that a man might go round and fight in Africa and Palestine, in Mesopotamia, in Gallipoli and France, and he would get those five medals, whereas the man who had been fighting all the time in France, and perhaps harder, would only get one.

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Mr. HUGHES: As a matter of fact, I do not think that any man would go round into five theatres of war.

Sir FREDERICK PONSONBY: There are a great many who have been in three, and those men were mostly—

Mr. HUGHES: I am not suggesting that you should give them three medals, or that you should give a medal for a campaign. I am only saying you should symbolise or signalise a great event in a fitting manner. I say you have not a leg to stand on now, since you have given the Mons star. Is it suggested for a moment that the valour and sacrifice of the troops who have followed the British Expeditionary Force is not worthy of similar recognition? There are plenty of men in the British Expeditionary Force who will get two medals or a medal and a star. Why should this recognition be confined to them?

Sir FREDERICK PONSONBY: From your own point of view, do you not think it is rather difficult to give a star to the men who fought in Gallipoli and ignore the men who fought in France lately? They would get only one medal, those who fought in Gallipoli would get two.

Mr. HUGHES: But, Sir, you are not giving these to people who are not quite familiar with the whole circumstances, and just as you give a boy a prize for good conduct as well as for efficiency, say, in botany, and the whole school knows what it is all about, so the whole country would know, and they would say, "Oh, this is a Gallipoli man." We want to know who fought in Gallipoli. We do not want to say their valour is greater. They are the same men in many cases. Those who were in Gallipoli are now in France, except where they have been invalided back. And there are men who have now been fighting for three years and some odd months and have never been back to Australia. Your men are not in that position at all. All such men are recognised; they all have a medal, ours have not.

Sir FREDERICK PONSONBY: You would advocate Gallipoli only being taken, and no other theatre of war?

Mr. HUGHES: I am not suggesting one for Palestine or Mesopotamia; all those are merged with others in the Great War. But this stands out, as it was the arena into which Australia first leapt, and New Zealand, of course, and from that we date our history, if you like to put it so. I think you will be making a mistake, from the standpoint of Empire, if you do not recognise it in that way; but that is a subject for yourselves to consider.

CHAIRMAN: We have present, now, Admiral Everett, representing the Admiralty, and also the Adjutant-General, who will now state what the War Office proposes. I suppose you do not make any definite proposal on behalf of the Admiralty, Admiral Everett?

Admiral EVERETT: No, Sir; we have our own definite standpoint on this.

The ADJUTANT-GENERAL: Mr. Colonial Secretary, the proposal put forward by Australia and New Zealand in regard to the grant of a medal to their own troops for Gallipoli was considered by the Army Council, and, of course, it is not for the Army Council to make any observations on that; the question is beyond the Army Council entirely. But it was suggested that it would make it easier—because all these medal questions are very difficult when you come really to deal with them—taking it for granted that it is decided it shall be given, it would make it easier if it was given, not for a particular campaign, but for such troops as left the Dominion between certain dates to be arranged; and beyond that the Army Council has not much to say, except that it would be against the whole policy of the Army Council for many, many years, or for the Commander-in-Chief for many years, for British officers and men to be allowed to wear the medal. That, I know, might create a little difficulty. But if it could be arranged that the medal could be given for service between dates, instead of for a particular operation, it would make it easier, because in the case of any British officers or non-commissioned officers who were in the Dominion on those dates as part of the Dominion forces, who started from the Dominions between the dates I have mentioned and who were part of the Dominion forces, any objection, so far as the Army Council was concerned, would be waived.

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Mr. HUGHES: Are you not really subduing the whole thing to what you work in? Here is a great question. It does not matter what you did before this war. If you put all the wars of the world into the scale, this will outweigh it. It does not matter what you did before, it is what you will do now. You never had the same circumstances. We have an army in the field now—this one Dominion of ours—greater than you ever had in your whole history, except perhaps in South Africa, and then only after some years of war; and you have to consider that national sentiment and national feeling as against some rule or regulation of the Army Council. I submit that you are not to settle the matter in that way, Sir.

The ADJUTANT-GENERAL: But the Army Council, Mr. Hughes, does not feel that it is for them to say one way or the other.

Mr. HUGHES: That is quite right.

The ADJUTANT-GENERAL: It is a matter concerning the Australian and New Zealand troops.

Mr. LLOYD: Does the star that has already been given come within that rule, or is it for those who actually took part in the campaign in France?

The ADJUTANT-GENERAL: The so-called Mons star—that is, the 1914 star—was given to certain troops between certain dates who took part in certain operations in France and Flanders between those dates.

Mr. LLOYD: Then there is a further qualification that would meet our case and your proposal does not meet it.

The ADJUTANT-GENERAL: I beg your pardon.

Mr. LLOYD: The second proposal—the suggestion thrown out now—is not in accordance with the principle on which the Mons star was granted.

The ADJUTANT-GENERAL: Between certain dates.

Mr. LLOYD: But in addition to being within certain dates they were in a particular theatre of war.

The ADJUTANT-GENERAL: Quite so.

Mr. LLOYD: But then you cut out the theatre of war in this proposal, and simply give the dates alone.

The ADJUTANT-GENERAL: Quite so; but then the Mons star was really issued in commemoration of certain successful actions by which the enemy was prevented from obtaining definite results. That is really the reason.

Mr. LLOYD: In our case we wish it to be in commemoration of the fact that we, as Newfoundlanders, first took part in the war.

Mr. HUGHES: Yes, I think that is the broad principle now. As to the Mons star, they were all British regular troops who got it.

The ADJUTANT-GENERAL: Oh, no.

Mr. HUGHES: Who were they?

The ADJUTANT-GENERAL: There were a great many Territorials and a great many Indians.

Mr. HUGHES: Very well, I must withdraw that. I do not know who the Colonials were.

The ADJUTANT-GENERAL: There were Territorials and Indians. They were not all regulars.

Mr. HUGHES: They were mostly regulars.

The ADJUTANT-GENERAL: I could not say which way the balance went. There were a great many Territorials.

Mr. HUGHES: I think it may be said they were mostly regular soldiers, and it was given in recognition of one particular phase—a glorious phase, but one which in its sphere of operations was trifling compared to that of the Somme or Picardy. But it was the first phase of this war, and it was because it was the first phase, and public attention was directed upon it, that they got this star. That is to say, it was a recognition in England as well as throughout the Empire that the

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Mr. HUGHES—*cont.*

action of these regular soldiers—I emphasise that again, the Regular Army—had been such as to deserve this recognition, and it received it. Very well. Now we turn to Gallipoli. There the Anzacs first made their appearance. Whatever view you have as to their actions, we hold that they too deserve recognition. The sphere of their operations was distinctly limited, and not to be compared for one moment to those operations in which we have had the honour to play our part in common with the other Dominions. But it was distinct. In the Retreat from Mons, at Charleroi, and on the Marne there was only a handful of British troops, but it was not the number—it was the fact that this was the beginning, and that it symbolised something distinct. So it is with us. This Gallipoli campaign does symbolise something—it is the birth of our nation—the entry of Australia into the war—and of that we say there ought to be some distinct recognition. It is not the fact that they fought in the Great War—all are fighting in the Great War—but there are phases in this Great War. This Gallipoli campaign, though it may have been a small thing in comparison, was a great thing from the symbolic point of view—it was a distinctive thing, and no doubt it will be commemorated, when the time comes, by a special star, or it ought to be. If you attempt to settle the matter by saying that all those men who within certain dates were fighting shall have a distinguishing bar, or medal, or star, I think the thing will lose half its significance. Some of our men were in New Guinea at the time that the English were in Gallipoli, but they are not to get one; you say it is only those who happened to be, between certain dates, in a certain place.

The ADJUTANT-GENERAL: Not in a certain place; no.

Mr. HUGHES: Then why not give it to the troops who were in New Guinea? We were there long before that.

The ADJUTANT-GENERAL: Quite true, but your New Guinea troops in that case would get the decoration.

Mr. HUGHES: Would they get your decoration? It has nothing to do with dates, sir; the date is a mere accident—an expedient—a device to confine this within narrow limits. But what you have done is to symbolise a great event—an epoch—something that really saved Europe. And why not say so? We have given these men a separate star for it; why not say so? Why bother about whether it will annoy somebody else? It will annoy somebody else if you do not recognise valour when it displays itself.

The ADJUTANT-GENERAL: But I must say again that the Army Council has nothing to say against, or in criticism of, the giving of a Dominion star, or whatever you may call it.

Mr. MEIGHEN: Who does decide these things? I am disposed to think there is a great deal of force in Mr. Hughes's contention, that you have utterly destroyed your defence against separate recognition by the recognition of those who served in 1914. You never could follow that principle out. It would never do to follow out the principle of distinction by periods. That would mean nothing at all. It is really arbitrary to start with, and, having done so, you may find it very difficult to defend not having distinctive medals for other campaigns. Canada does not object to that; all that we ask for is that there shall be no distinction of merit.

Mr. LLOYD: Hear, hear.

Mr. MEIGHEN: That you do not settle upon one campaign and do for that what you refuse to do for another. Distinguish if you will—distinguish Mons if you will—distinguish Gallipoli if you will; but do not distinguish them from other services, perhaps equally valuable, at all events equally meritorious. All we ask for is the same treatment everywhere.

And while I am on the subject of recognition, how is it that in the Air Service, for example, it is utterly impossible to get any publicity whatever, or any credit given to those who so distinguish themselves in that service? It is not impossible in Germany—they give it freely—but if we attempt to send to our own country the number of aeroplanes that a flight lieutenant has brought down, we are immediately

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Mr. MEIGHEN—*cont.*

stopped; we are utterly unable to get it through. And it is the same here. Wonderful distinction has been attained, but no particulars are allowed to be given. I have no reason for bringing this in now, except that it is connected with the subject of recognition.

Mr. COOK: It is the same principle.

Mr. MEIGHEN: I notice there are exceptions made here in the case of certain Flight Lieutenants and others in the British service, but the general rule is followed, as far as we are concerned, at all events—we are utterly unable to have credit given for very distinguished services rendered in the Air Service. The censor cuts the despatch up at once—cuts the name right out.

Mr. COOK: It seems to me that, having given a special star for the Mons campaign, no logical mind will deny any other great event the same distinction. And already there is a distinction made amongst our own troops with regard to Gallipoli. For instance, they wear an "A" on the arm by which they can be distinguished, and there is no sort of jealousy amongst the other troops that I know of, on account of that, although the other troops may have done equally valiantly in some other theatre of the war. As has been pointed out, this was our first entry into the war. The sacrifices have been very great, and indeed the whole losses at Gallipoli were terrible. I think it will be found that it was as heroic an adventure as we have had during the whole war. The sickness and deprivations were terrible there. Our men were in the trenches three and four months on end without coming out of them, and altogether the circumstances were in every way peculiar. And there will be very general disappointment if something distinctive does not find a permanent record in the history of this war.

CHAIRMAN: You are advocating now the granting of a medal or decoration by His Majesty's Government apart from anything which may be given by the Dominions?

Mr. COOK: Yes.

[At this point Mr. Massey took his seat at the Conference.]

CHAIRMAN: We have taken this medal question which you raised last year, Mr. Massey. The Adjutant-General has said, on behalf of the War Office, that they do not object to a Dominion medal being issued by the Dominions to their troops; but I understand it is not proposed at present to issue a particular medal for particular incidents.

The ADJUTANT-GENERAL: The suggestion made was that it would probably be easier from the administrative point of view if the medal, instead of being given for a particular campaign, say, for instance, Gallipoli, were given for all Dominion troops who left their Dominions between certain fixed dates. It is only a suggestion thrown out, and as a matter of fact what was in the back of our minds, I think, was that in that case the Australian troops were concerned in New Guinea, and they would come in. But I understand from Mr. Hughes that that is not the Dominion idea, but that it should be confined to Gallipoli. There is no objection to that on the part of the Army Council. It is not for us to object.

Mr. LLOYD: There is another point to clear up. I may have misunderstood it. Even assuming the Dominion did issue a medal, there is a suggestion that it would not be recognised by the Army Council. I should like that point cleared up.

Mr. COOK: Hear, hear.

Mr. LLOYD: Supposing a soldier was transferred to the Imperial Forces, and he was a Dominion man who had been transferred. Is it possible the Army Council would refuse, or is it suggested that the Army Council would refuse him the right to wear it?

CHAIRMAN: If he earns it, and it is given him, he wears it always.

Mr. COOK: What is the suggestion about these dates? Is it that the War Office issue a medal, or the Dominions?

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The ADJUTANT-GENERAL: I do not think that was ever up for consideration. The War Office were not in the matter. It had been decided, as I understand, by the Colonial Office, that a special decoration—

CHAIRMAN: It was approved by your Committee, I think.

Sir FREDERICK PONSONBY: No.

Sir JOSEPH WARD: What is the nature of the special decoration?

Mr. COOK: A star for Mons.

Mr. MASSEY: What about Gallipoli? It has never been cleared up, and nobody seems to know exactly what the position is.

CHAIRMAN: That refers to the claim of the Dominions to issue a medal of their own. That is a different question.

Mr. MASSEY: I understand the Dominions cannot issue a decoration of their own without the consent of His Majesty the King, and therefore it becomes official to that extent. We had considerable discussion last year with regard to the proposal that a special decoration should be given to those troops who took part in the Gallipoli campaign, and I do not know how far we have gone, and what the position is to-day. I want to know whether it is being done by the War Office, or partly by the War Office and partly by the Dominions of Australia and New Zealand.

Mr. COOK: That is what I was asking. The Adjutant-General said the War Council had no objection to a medal, or star, or whatever distinguishing mark we like to have, as between two certain dates, but that they did not want it allocated to a particular campaign between certain dates.

Mr. HUGHES: He did not limit it to that. I pressed that point, and the Army Council as such expresses no objection to an issue of a special decoration for Gallipoli. But the Adjutant-General says that it is suggested, as a means of easing the situation, that a decoration should be granted to persons who were fighting between certain dates. I pointed out that that would not be satisfactory.

Mr. MASSEY: That would not do.

The ADJUTANT-GENERAL: May I clear up the point? The special decoration I was speaking about is this: His Majesty the King has already approved of the issue of one decoration by the two Governments of Australia and New Zealand to those Australians and New Zealanders who left in 1914 and afterwards took part in the operations in Gallipoli. That is what I was speaking about.

Mr. MASSEY: That will not do.

Mr. HUGHES: Nobody did leave in 1914.

Mr. MASSEY: Yes.

Mr. LLOYD: Yes, but they did not get there.

Mr. MASSEY: A large proportion left in 1915, and surely it is a most improper thing for the War Office or anyone else to discriminate between those who left in 1914 and those who left afterwards.

The ADJUTANT-GENERAL: The War Office had nothing to do with this. It came to them from another Government Department. The Army Council decided that it was not within their province to offer any suggestions or remarks upon this specific award. We did not do it.

Mr. MASSEY: May I ask where it came from?

The ADJUTANT-GENERAL: I think it was from the Colonial Office.

Mr. MASSEY: Well, I think the Colonial Office should reconsider it.

Mr. HUGHES: There is only one point—as to whether it should be extended to all Gallipoli men, or only to the 1914 Gallipoli men.

Mr. MASSEY: All Gallipoli men.

Mr. HUGHES: It must cover all Gallipoli men.

Mr. MASSEY: Not only New Zealanders and Australians, but all troops.

Mr. MONTAGU: I hope that is clear.

Mr. HUGHES: Indians too.

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Mr. MONTAGU: If the decoration is given for the Gallipoli campaign, it is given to mark the fact that Australians, New Zealanders, and Indians fought side by side with British troops. And surely it would be very unfortunate if the British troops did not get the decoration too.

Mr. HUGHES: I quite agree. That is quite clear. But, Mr. Montagu, this may have a greater meaning for us than it has for the English as such, because they have a tradition going back to the beginning, whereas for us this was the beginning.

Mr. MASSEY: It was the first time that troops from the Southern Hemisphere at all events took part in a European war, and that is why it is so important to us.

Sir JOSEPH WARD: Mr. Long, is there a Resolution upon this matter?

Mr. LLOYD: Are there any statements from any Government Departments that we have not yet received on this matter, or have we everything before us?

CHAIRMAN: So far as I know, you have everything before you. The matter is with the War Office. The Colonial Office has nothing to do with medals, and we have taken no part whatever in it. We could not do so. We have no authority to express opinions about decorations, and medals, and so on. We know nothing about the previous practice, and we have no authority. The only part which the Colonial Office has taken in this from the beginning is that we have transmitted telegrams on behalf of other Departments to the Governments concerned, and we have transmitted to the Governments of Australia and New Zealand a telegram, a copy of which I have in my hand, which was brought over here by General Griffiths—who was then, I think [*to Mr. Hughes*], your General—and was drawn up at the War Office. We had nothing to do with it. We know nothing more about medals than we do about any other military questions, and should not dream of expressing an opinion. I have my own personal opinion, but not as Secretary of State for the Colonies.

Mr. HUGHES: Is that from you to us or from us to you?

CHAIRMAN: From the Secretary of State here.

Mr. HUGHES: What does it say?

CHAIRMAN: It reads as follows:—

“Suggestion that some recognition should be given by Australia and New Zealand to Australians and New Zealanders who left in 1914, and afterwards took part in the operations in Gallipoli, has been given careful consideration. One decoration to be issued by the two Governments. Question has been discussed by Army Council, and, on condition that the decoration is only given to members of the Australian Imperial Force or New Zealand Expeditionary Force, the proposal has their full approval. It has been submitted to His Majesty, who has been graciously pleased to approve. It is the wish of His Majesty that this mark of distinction should take the form of a decoration such as is being given in the case of the British Expeditionary Force of 1914 rather than of a medal. The design and ribbon should be submitted for approval of His Majesty. It should, of course, be quite distinct from any British decoration, past or present. Telegram has been sent to [New Zealand] [Australia] in similar terms.”

This was sent to Australia and New Zealand on 22nd November 1917, and repeated the next day to Canada, South Africa, and Newfoundland, with a request for Ministers' observations.

Sir JOSEPH WARD: May I move a Resolution: “That it is desirable that a special military medal should be awarded to all soldiers who took part in the operations in the Gallipoli Peninsula during the present war, and this Conference respectfully recommends the same for the favourable consideration of His Majesty the King.” It is a recommendation which I suggest should go from the Conference to the King.

This idea of a separate medal being issued to these men does not mean more than what the conduct of the men who took part in that campaign reasonably entitled them to. The argument which has been used that because other interesting campaigns have taken place during the currency of the war, you ought not to make exceptions,

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Sir JOSEPH WARD—*cont.*

is one which there is much to be said for. But there were circumstances connected with the war in Gallipoli of a nature which makes that campaign stand right out, in my opinion, by comparison with the others, and there ought to be a recognition of it, instead of having a split-up system of a star for one, a bar for another, and so forth. From the point of view of the recognition of the services of individuals, it would be infinitely more acceptable. And if all men, British troops and oversea troops, are treated alike, marking the Gallipoli campaign as a special one calling for some special recognition, I fail to see that any objection should be taken to it. And if there are difficulties in the way of providing that medal, surely they ought to be, and should be, overcome. I am sure that if we had an opportunity of conversing with the men concerned, they would infinitely prefer to have a medal coming from the British Government, on behalf of the whole of the British Empire, than having it split up; and I think we ought to stretch out a great deal to meet that feeling, which I am certain exists amongst all the men who took part in the Gallipoli campaign. I think it would be a fair thing for this Conference to recommend to His Majesty the King that he should favourably consider the issuing of a special Gallipoli medal for those who took part in the Gallipoli campaign. I do not want to take up the time of the Conference farther, but I should like very much to see that carried.

Mr. BURTON: Surely the Conference cannot do anything like this? I have not a word to say in deprecation of the heroism of those who fought at Gallipoli, but heroism and valour have been displayed on every field of this war. How can we pass a Resolution such as this, singling out Gallipoli for special recognition by a medal?

Mr. COOK: They have done it for Mons.

Mr. BURTON: Yes, but Mons is the British Army. We have nothing to do with the Mons star. But we are now sitting here as an Imperial Conference, and Sir Joseph Ward suggests that we should pass a Resolution, as a Conference, that there should be a particular distinction for Gallipoli. I cannot allow that to go for South Africa. Deeds of as great bravery have been performed in South Africa as elsewhere.

Sir JOSEPH WARD: Do they not get medals for those?

Mr. BURTON: Not in the way you suggest.

Sir JOSEPH WARD: They will get a British medal.

Mr. BURTON: But what kind of a medal do you want?

Sir JOSEPH WARD: I want a medal commemorating the Gallipoli campaign.

Mr. BURTON: Well, all I can say is, if you are going to distinguish between the Dominions, or between different classes of soldiers, in that way, you will do nothing but create trouble.

Sir JOSEPH WARD: Had you any men from South Africa in Gallipoli?

Mr. BURTON: I do not know. I think not. I might just as well say that we must pass a Resolution for special medals for German West and German East Africa. I do not say that.

Mr. MEIGHEN: I agree with everything that Mr. Burton has said, except this—that I do think the continuity of the defence is broken very much by the issue of the Mons medal. That opens the door for the provision of other medals of the same kind. But however that may be, and whatever way is found out of the difficulty, I do urge that we should draw no distinction between campaigns. If one campaign is to be distinguished, you must distinguish another; you must carry it right down the line. Otherwise, we would be compelled to go back to Canada, and say, "We supported a Resolution for a special distinction to the soldiers in Gallipoli, but we did not think it worth while to get a special distinction for the Canadians who saved the road to Calais." That would be an absurd, an impossible, and a humiliating position.

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MEDALS.

[10th Day.]

CHAIRMAN: I think it would help us if the Adjutant-General were to make a general statement to the Conference, explaining exactly what the position is as regards the whole medal question, inclusive of the proposal that the Dominions give their own. Mr. Meighen has to go now to catch his train, and I am sure you all share the regret which I feel that he has to leave us.

[Mr. Meighen then left the Conference Room.]

The ADJUTANT-GENERAL: Fairly early in the war the question of medals came up. It was found that some of the Allies proposed to interchange their medals—that is to say, that France would give so many hundred thousand medals to Russia, and Russia would give so many hundred thousand to France. And the idea was that by pursuing that policy, our Army—I am speaking now only of the British Army—would be plastered over with every sort of medal from every sort of Ally, and there would be a great deal of heartburning in the distribution of them. And so it was decided to get the Allies to agree to an International medal. The International medal to be common to all the Allies, and each Ally to have the right to give that medal to such of her own people as she thought fit. The rule it was proposed to draw up for our International medal was that it would be given to every officer and man, commissioned and enlisted, who landed in a theatre of war. People at home, for instance, in Great Britain, who never had been out of Great Britain, would not get it. In France they might give it to everybody if they wanted to—to their women working on the fields. We should have nothing to say to that; it would rest with them.

Then, in addition to that, it was proposed that there should be a British medal—a medal given by Great Britain for the Empire, to all the troops of the Empire, whether they served in a theatre of war, or whether they only came forward to defend their own country—to every officer commissioned and man enlisted who came forward and was regularly commissioned and enlisted and in uniform.

Therefore the result would be this. Take where we are at present, in England, for the moment. Take two men in England. One man has been over to France, to Egypt, to Italy, or to Mesopotamia. He would get the International medal, with the necessary clasps, and he would get the British medal. The man who, by reason of age, or other reason, was not able to leave this country, but who had served in this country in khaki, as an enlisted man or a commissioned officer, would get the British medal.

Then the question of clasps came up, and that is a very difficult question. It was decided to do nothing about that until after the end of the war, when there would be a committee of officers, representing every theatre of war, who would have to sit round a table and work out this question. Judging by the trouble the South African War gave us in that way, so as not to give a clasp to too small a matter, and at the same time not to overlook an important one, it is bound to be a very, very tricky question, and the idea was to have that done by officers who cannot be got together to do it to-day, because they are all out in the different theatres of war. After the war these would get together, they would have their maps before them on the table, and they would draw up their proposals as to the clasps.

Then the proposal was made for the 1914 star, and, whether rightly or wrongly, that was given to every officer and man on the strength of the Expeditionary Force who landed in France between midnight on the 4th August 1914 and midnight on the 22nd-23rd November 1914.

Sir JOSEPH WARD: Who made the proposal?

The ADJUTANT-GENERAL: I could not tell you. I would not like to say it was not the Press. Personally I have always been against it, but that is another matter. Anyhow, it was done, and roughly about 400,000 people altogether got that Mons star, of which not quite half were Regulars, I might say.

Now that is the medal position to-day. So that if any more medals or decorations are given—take Gallipoli, for example, leaving out the rights and wrongs of the Mons decoration—the result would be this, that a man who was in Gallipoli for two or three months would get his third decoration, while a man who landed in Flanders or France

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MEDALS.

[15 July 1918.]

The ADJUTANT-GENERAL—*cont.*

on the 24th November 1914, and had been there ever since, at the end of the war would not get more than two—the International and the British medals. That is the position as far as we have gone at present.

Mr. MASSEY: As I understand it, Mr. Long, the position is this. We have got, I am afraid, somewhat mixed up in connection with it. The Imperial Government practically declined to have anything to do with a special clasp or recognition.

The ADJUTANT-GENERAL: No, not a clasp. I think last year, if I remember rightly, I said myself, or some other War Office representative said, the question of the clasp would most certainly be considered. We cannot say to-day that a clasp will be given for any particular thing, because it will be left to the committee I have referred to; but I think it is a hundred to one in favour.

Mr. MASSEY: That does not affect my point at all. There was a very long discussion, initiated by myself, I may say, last year, and we understood—we who were interesting ourselves in providing a special decoration for those who fought in Gallipoli—that the Imperial Government, or the War Office—it comes to the same thing in this connection—declined to do anything. I raised the question whether there would be any objection to allowing the Governments of Australia and New Zealand to do it themselves if they could get the consent of the King. Now I am not directly connected with the Defence Department of New Zealand, but I know that some arrangement has been arrived at between the New Zealand Government and the Government of Australia—the two Defence Departments—and they have actually agreed upon the colours to be used in the recognition, because it was submitted to me by the Defence Minister only a few days before I left New Zealand. That is the position to-day, I understand, and I think we ought to get to know exactly what has happened. There is only one man in London who can tell me, and that is General Richardson, who said that he would inquire into the whole thing and let me know exactly what had been done and what was intended to be done; but I do not know now, and I think before going any further we ought to know.

Mr. HUGHES: The point raised by Mr. Meighen before he went, and the attitude of Mr. Burton, shows that this body is hardly the competent authority to deal with this matter.

Mr. BURTON: Quite right.

Mr. HUGHES: Take the position of the delegates from South Africa. With all due deference to the merits of the case, they must also have regard to the position in which they find themselves. They have their own soldiers, who are fighting very gallantly, and they have to consider the effects of singling out one particular contingent from all the others. So that, while I think it is most unfortunate that we cannot agree, I can see the reason why Canada and South Africa take up the attitude they do.

The position with regard to New Zealand and Australia may be very shortly stated, and it is practically this—that there is no difference of opinion at all, excepting as to whether we are standing out for every person of our forces, from the landing to the evacuation, getting a star. It has to be a star, which is so distinguished, that it cannot be mistaken for any British decoration. That will be approved, presumably.

The ADJUTANT-GENERAL: It is quite approved.

Mr. HUGHES: Yes. I am only stating it. That is one of the conditions of the decoration. The only point is, to whom it should be given, and that is a point upon which negotiations can take place between the various authorities.

Mr. ROWELL: It is a domestic matter between your Government and the Imperial Government as to what decoration you may choose to grant, and I think New Zealand ought to settle it in the same way.

Mr. HUGHES: We cannot settle it in any other way.

Mr. LLOYD: I am rather in favour of that—letting each Dominion take up the matter separately with the Imperial Government.

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MEDALS.

[10th Day.]

CHAIRMAN: That means issuing a decoration by the Dominion Governments?

Mr. LLOYD: What it really comes to is this: it is a commemoration of the time when Newfoundland first took part in the Great War—provided it is recognised by the King.

Mr. MASSEY: Will Newfoundland take it up?

Mr. LLOYD: Certainly we will take it up. It is between one Government and the other Government.

Sir JOSEPH WARD: Do you mean that in taking it up you will try to get a British medal issued to Newfoundland?

Mr. LLOYD: No; that a special decoration will be given to Newfoundland soldiers which will be recognised by the King.

CHAIRMAN: Approved by the King?

Mr. LLOYD: Approved by the King.

Mr. ROWELL: As I understood the telegram which was read out, such action has already been taken by the Governments of Australia and New Zealand with reference to the Gallipoli campaign, and a decoration has already been approved by the King to be issued by the Governments of Australia and New Zealand to certain members of their Forces?

CHAIRMAN: Certainly.

Mr. ROWELL: That is a matter on which we have nothing to say, and which may be arranged between the Governments of Australia and New Zealand and the Imperial Government.

CHAIRMAN: They have settled that. That has been done—including the form of the decoration, the colour of the riband, and so on.

Mr. ROWELL: I think Mr. Hughes has now taken the correct position—that the matter should rest there, and be dealt with by the Dominion Governments and the Imperial Government if they wish a special decoration for any campaign in which their own Dominion troops have taken part.

Mr. MASSEY: I would like it to be made clear that the decoration would apply to all the troops in Gallipoli.

CHAIRMAN: That is so—the words are: “took part in the operations in Gallipoli.”

Sir FREDERICK PONSONBY: Only officers and men of the Australian and New Zealand Forces.

Mr. LLOYD: We will take it up separately. We simply follow that precedent.

CHAIRMAN: Each Dominion will issue to its own troops.

Sir JOSEPH WARD: It shuts out the British Forces, does it not, Mr. Long?

CHAIRMAN: That does not. There may be something else which I have not heard of, but there is nothing there to shut them out.

Mr. MASSEY: May I ask the Adjutant-General whether it is intended by the British War Office to issue a special decoration for each theatre of war?

The ADJUTANT-GENERAL: A special decoration?

Mr. MASSEY: Yes. I am not well up in these things.

The ADJUTANT-GENERAL: We have not gone so far as to consider that.

CHAIRMAN: Do you not think there is a little misunderstanding? A “decoration” is technically supposed to mean a medal, or a star. But what we are all thinking about really is a bar to the medal. That is to say, what Mr. Massey wants to know is whether there will be some distinguishing mark which a soldier can wear, which will indicate that he took part, for instance, in the Gallipoli campaign.

Mr. MASSEY: The Adjutant-General himself is wearing a decoration at the present moment. I take it that is a particularly good one.

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MEDALS.

[15 July 1918.]

The ADJUTANT-GENERAL: That is the Mons star.

Mr. MASSEY: Is that the Mons? Well, it is the first I have seen.

The ADJUTANT-GENERAL: We have not considered the question of giving a decoration, as such, to each theatre of war, but there certainly will be a good many clasps for the different theatres of war. For instance, the Egyptian theatre may have half a dozen clasps for different engagements. Mesopotamia will also have a certain number, and Gallipoli, and Salonica. There will be clasps for engagements in all these different theatres of war, on the International medal.

Sir JOSEPH WARD: Africa will have that right as well?

The ADJUTANT-GENERAL: Oh, certainly. That is the reason for delaying this question, until we can get together representatives who have been in the various theatres of war, so that the clasps may really be given for important actions or series of actions, with the right names, and everything else. It is a very big business, this question of clasps.

Mr. HUGHES: I was rather unnecessarily severe on what had been done in the past. What was the practice in the Napoleonic wars?

The ADJUTANT-GENERAL: No medals. The Waterloo medals, I believe, were issued in 1848, or something like that. You were talking about time. Now this particular decoration I have here was the South African King's Medal. That was a time medal. It was given for eighteen months' service in South Africa during the war, either continuous or made up of shorter periods, making eighteen months in all. And if a man was out there eighteen months less one day, he did not get it. That was really a time medal, and it has clasps on it for particular years.

Mr. MASSEY: That brings me to another point, General. In New Zealand we are particularly interested in what has been called the Samoa campaign. We are rather proud of it, because we claim that New Zealand was the first of the Dominions or Dependencies of the Empire to get its troops away, and its troops were the first to occupy enemy territory. There was no bloodshed, but there was tremendous risk, because at the time we sent the troops to Samoa, there were a number of enemy cruisers in the Pacific, and it is very doubtful indeed whether our troops would have reached Samoa had it not been for the protection afforded by the battleship "Australia." I have said it before, and I should like to say it here again, that I should like to see it possible for the men who took part in the Samoan campaign to get some special recognition.

The ADJUTANT-GENERAL: Under the present system they will get their two medals, the International and the British, and on the International—I am talking a long way ahead now, but at that Clasps Conference there will be representatives of your Governments, and I am pretty certain one of the clasps will be for Samoa.

Mr. COOK: You were first at Samoa because you were nearer to Samoa than we were to New Guinea, and we were told to send our ships away and look after you.

Mr. MASSEY: I recognise and appreciate what has been done, but so far as risk is concerned, I would sooner have six months on the Western Front than that fortnight in ships carrying troops from New Zealand to Samoa.

Mr. ROWELL: It depends on where you are located.

CHAIRMAN: Do you want, in the face of what has passed, to press your Resolution, Sir Joseph?

Sir JOSEPH WARD: It looks as if the Conference is against me, though I think personally it is the proper thing to do. I cannot help feeling that Gallipoli does occupy an extraordinary position, and one which has not been equalled since the beginning of the war, for the reason that these men were asked to do what was impossible, and they tried to do it.

Mr. COOK: It was slow torture for three or four months.

Sir JOSEPH WARD: It was a terrible trial, and from the point of view of warfare probably unexampled. I cannot help feeling that the generosity of the men in all other theatres or sectors where warfare has taken place would admit that the conditions in Gallipoli were quite exceptional. But I recognise, of course, that

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CABLE COMMUNICATIONS.

[10th Day.]

Sir JOSEPH WARD—*cont.*

my motion is not accepted. Might I suggest that under the circumstances this motion be held over until Mr. Massey and I have found out what the position is from our own General?

CHAIRMAN: Certainly.

Mr. MASSEY: I have sent for General Richardson, but they do not seem able to find him.

CHAIRMAN: Then the position is that Sir Joseph Ward's motion will be held over until certain definite information has been obtained, and that meantime the issue of a medal by the Dominions is approved by His Majesty the King to their own troops—that this may be extended to other Dominions if they think fit, and that the general question, as stated by the Adjutant-General, is to be further considered when it is raised again.

Cable Communications.

(See pp. 125–132 of [Cd. 9177].)

The part in [] was omitted from p. 128 of [Cd. 9177].

Sir JOSEPH WARD: Yes. I gave notice of this motion at the previous Conference.

[Mr. ROWELL: Then, in reference to the third paragraph, Sir Joseph may not be aware—I do not know how far this could be put upon the record—of the fact that there is now in use an Imperial cable between Great Britain and Canada.

Sir JOSEPH WARD: Yes, I know, but everything connected with it is secret.

Sir WILLIAM MERCER: Not in use, I am afraid. It was broken down last December.

Sir JOSEPH WARD: May I interrupt by saying that I was aware of that; I know we have got it, but meantime it does not affect the present state of things.

Mr. ROWELL: There is the possibility of a new State-owned cable being provided by means of the line which has been taken over. I judge that is a possibility, although the use of it is now interrupted, and that, pending some final decision with reference to that line, it would not be expedient for us to embark upon a proposal for the construction of an additional line across the Atlantic, unless there are some further considerations of which I have no knowledge at present: and in connection with the use of that cable a telegraph line has been leased to Montreal connecting with the Pacific cable, so that despatches are sent direct over that from Nova Scotia to Montreal and over the Pacific cable to Australia and New Zealand.

Sir JOSEPH WARD: Except that that land line is not State-owned.

Mr. ROWELL: I think there is only a lease of the line from Montreal to the Pacific Coast in Canada.

Sir WILLIAM MERCER: Perhaps I may add that the lease of a line between Montreal and Halifax is practically concluded.

Mr. ROWELL: So that what Sir Joseph Ward desired to secure by the third clause of his Resolution may in effect be secured by the action already taken, or which may be hereafter taken, in connection with the German cable lines.

Then, as I understand, Sir Joseph does not now press the fourth clause of the Resolution. Under those circumstances I would suggest that the only clause of the Resolution which is not covered by action already taken or contemplated—to the principle of which I see no objection—is the first. The other three paragraphs are all dealt with in the way I have suggested.]

Mr. COOK: I think, in the circumstances, &c., &c.

The parts in [] were omitted from p. 129 of [Cd. 9177].

Mr. PIKE PEASE: * * * * The present position is that there are 14 cables to Newfoundland and Canada; 13 are controlled by United States Companies, eight by the Western Union Telegraph Company, and five by the Commercial Cable Company. [There is the converted cable which was mentioned just now. (Mr. Pike Pease here made a statement which was ordered not to be reported).] With regard to the rates which, &c., &c.

Mr. PIKE PEASE: * * * * As far as the British Post Office is concerned, naturally I am not in a position to say whether it would be possible to obtain facilities for taking over these various cables which have been suggested this afternoon, but I would point out that in view of the fact that 13 are controlled by the United States, the amount of capital required to take over so many of the lines would be very great. [But as far as the converted cable is concerned, speaking without any authority at all, I should say that there might be some means by which what is desired could be carried out.]

Mr. COOK: I remember when that cable was first projected, &c., &c., &c.

The parts in [] were omitted from p. 130 of [Cd. 9177].

Sir JOSEPH WARD: * * * * I am of opinion, as I have said, that we have not yet gone far enough, so that I think with a view to moving further in the same direction, it would be at least a mistake not to reaffirm the necessity and desirability of having cheaper rates.

[Now may I say one word about this Atlantic cable? I am quite aware of the position with regard to it, and I cannot speak more openly about it, but I am quite clear in my mind that if this Conference does not confirm the ownership of the Atlantic cable, circumstances might arise in the discussion of peace terms which might cause that cable to fall into other hands, and the impression that is formed at the moment, because of the position, that though unused, that takes the place of the Atlantic cable, is one which I dissent from, because in the meantime it does not. But supposing it is going to remain under the control of the British Government, then the oversea Governments ought to come in in association with the ownership of that cable, and I maintain that somebody has got to be paid for it, the Lord knows who, but surely as a sort of intermediary State, and it is recognised by Mr. Rowell that the Canadian line links up with the Atlantic cable and we have to pay for it; surely it is a good thing to recognise the desirability of having a State-owned cable across the Atlantic, and if we get it, we do not suggest putting down another cable. Meantime what is the objection to our affirming the desirability of owning the cable?]

I want to say a word more, and I have finished. I hope that the representatives of Canada and also of Newfoundland will pardon me for saying—I do not know whether Mr. Lloyd referred to it or not by the way—that the leased land lines, [the present one that is leased from Montreal to the Pacific, and the other one that is leased,] do not, in my opinion, carry out the necessary functions of a State-owned cable, &c., &c., &c.

The part in [] was omitted from p. 132 of [Cd. 9177].

Mr. ROWELL: Then I see no objection to paragraph 3 as modified by Sir Joseph. I suggest instead of the word "necessary" the word "desirable"; [in view of the fact that the British Government does control the line,] it is desirable that the Dominions should share in it, &c., &c., &c.

Medals.

Mr. MASSEY: In the last half-minute I have had the opportunity of seeing General Richardson, the New Zealand general, and he informs me that the Defence Department of New Zealand and Australia are agreed on a form of decoration, which was submitted to the King, who suggested a slight alteration. And General Richardson thinks the proper thing to do now is for Mr. Hughes and myself, and Mr. Cook and Sir Joseph Ward, to come together, and we can then settle the whole thing in a few minutes.

CHAIRMAN: That is very satisfactory.

ELEVENTH DAY.

Wednesday, 17th July, 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on p. 133 of [Cd. 9177].

Order of Business.

CHAIRMAN: There is a question in reference to the Indian Resolution on Emigration, which is on the paper for Friday. I understand that the Indian representatives have some doubt whether that could be taken on Friday, and what they would like would be to have a Sub-Committee of the Conference to thresh it out first of all. If that was approved by the Conference, then we could appoint the Committee now to get to work, and probably we should be ready to take the resolution next week. That would mean that we would have to substitute some other business for Friday. At present, on the paper for Friday, we have the question of Venereal Disease, and if the Indian question goes off there would be nothing else.

Mr. MASSEY: There are several Resolutions which have not been dealt with. I have two myself.

CHAIRMAN: As I say, there is nothing down for Friday. There is a Resolution about Government Contracts which you have got, and there is the question of Petroleum, which has been remitted to us by Lord Harcourt, Chairman of the Committee which is inquiring into this; and there are, of course, other Resolutions which are on the paper. But if the Conference would decide first of all to have a Committee to thresh out the Indian Emigration question, then we could settle what we would take on Friday.

Mr. HUGHES: Are you referring now particularly to venereal disease?

CHAIRMAN: No; the Indian Emigration question.

Sir ROBERT BORDEN: Is there something else which we could take on Friday?

CHAIRMAN: Yes; we could take Petroleum. There is the Mineral Resources Bureau Finance question, which will not take long, and there is Lord Harcourt's question about Petroleum and Mr. Massey's question about Government Contracts.

Mr. MASSEY: I do not remember about Government Contracts.

CHAIRMAN: About priority being given in all Government Contracts to materials in the Empire.

Mr. HUGHES: Is not the question of Petroleum in the same class as all those other things which we have been discussing, non-ferrous metals and so on?

CHAIRMAN: It is rather different. Lord Harcourt is very anxious to attend the Conference and to make a short statement as to what is his view of the situation from the result of his inquiries.

Mr. HUGHES: I should like to hear that, but I could not be here on Friday.

CHAIRMAN: Then we will not take Petroleum. We could take Government Contracts, and the Mineral Resources Bureau. And perhaps, whilst we are sitting to-day, members of the Conference will look through the different resolutions and see whether they would like to name something else before we rise.

Mr. MASSEY: Is any date fixed approximately for the end of the Conference?

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ORDER OF BUSINESS.

[17 July 1918.]

CHAIRMAN: It looks now as if we were going to work another ten days.

Mr. HUGHES: There are a number of things which we have referred to Committees and we have not got reports from them. Then I think we ought to settle the general question of raw materials; we ought to lay down some principle to which we could commit ourselves and which we could recommend strongly to the Governments. We have not done that yet.

Sir ROBERT BORDEN: I think whatever else we do, we should get through next week.

CHAIRMAN: Could we sit in the afternoon as well as the morning? I should be quite ready. Well, may we appoint a Committee to go into the question of Indian emigration? You will take charge of it, Mr. Montagu?

Mr. MONTAGU: It is a matter of the greatest possible importance to each Dominion. I do not deny that it is a very difficult and complicated question, but it is a subject in which we, of course, are vitally interested, and we should be glad if each Dominion could appoint a representative to the Committee with a view to saving the time of the Conference.

Mr. MASSEY: Is that emigration from India?

Mr. MONTAGU: Yes; it arises out of last year's Resolution.

Sir ROBERT BORDEN: Has a Resolution been drafted, Mr. Montagu?

Mr. MONTAGU: I suggest that we should draft a Resolution at the Committee.

Sir S. P. SINHA: It is very much the same as was arranged last year, Sir Robert, at your instance—very much the same kind of informal Conference first.

CHAIRMAN: Would not the best plan be to appoint a Committee and ask each Government to nominate a representative? Is that your pleasure?

Sir ROBERT BORDEN: Yes, I should be willing.

Mr. BURTON: Oh, yes.

Imperial Court of Appeal.

(See pp. 134-153 of [Cd. 9177].)

Order of Business.

Sir ROBERT BORDEN: Could we not pass this other Resolution on Channels of Communication and take it up in the Cabinet?

Mr. HUGHES: I think it would hardly be fair.

Sir ROBERT BORDEN: I thought Mr. Massey said he would agree.

Mr. MASSEY: Oh, no; I expressed general approval, but I do not know about agreeing without further consideration.

Sir ROBERT BORDEN: I spoke under the impression that we were all agreed. I think we are all agreed except Mr. Massey.

Mr. MONTAGU: I never saw the Resolution until this morning.

CHAIRMAN: Could we take it this afternoon at 5.30?

Mr. HUGHES: For how long should we have to meet?

CHAIRMAN: I do not think it would take more than half-an-hour. Could you come, Mr. Massey?

Mr. MASSEY: It would be very inconvenient for me. I might stretch a point to come if it were absolutely necessary, but I would rather not.

Mr. BURTON: I have no objection to a meeting taking place this afternoon, but I cannot attend it. But I entirely agree with the suggestion Sir Robert Borden has made.

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ORDER OF BUSINESS.

[11th Day.]

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Mr. HUGHES: I think a short statement should be made about this and it should be referred to the Cabinet.

Mr. BURTON: Yes, that is the idea.

Sir ROBERT BORDEN: I think the principal discussion would have to take place in the Cabinet.

CHAIRMAN: Do you assent, Mr. Massey, to its being at 5.30?

Mr. MASSEY: I cannot come, I have too much to do.

Sir ROBERT BORDEN: Could you take it any earlier, Mr. Massey?

Mr. MASSEY: No; I am going away now and I do not expect to be back soon enough.

CHAIRMAN: I have ascertained that the party which is going down with the Air Board will be back at 5 o'clock.

Mr. MASSEY: As a matter of fact, I am having far too much to do. I do not complain, but there it is. If the matter is urgent, I will endeavour to be present at half-past 5, if you like to leave it at that.*

* The proposed meeting was subsequently postponed.

TWELFTH DAY.

Thursday, 18th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 154-155 of [Cd. 9177].

Imperial Meat Supplies.

Mr. MASSEY: Before we go on with to-day's business, Mr. Long, I want to say that last time we discussed the meat question it was said that another opportunity would be given. I do not know in what form it will come up, but there is some information I would like to obtain and, if it is in order, I will hand a memorandum to you. What is wanted is the quantity, the net price, and the landed cost in England of meat imported into the United Kingdom from the United States since the commencement of the present year.

CHAIRMAN: That information we will get from the Food Controller.

Mr. MASSEY: I have got to explain the position to my own country, and I should like to know as quickly as possible.

Sir JOSEPH WARD: Will it be possible to get a balance sheet of Swift's for last year?

CHAIRMAN: I have not the least idea.

Sir JOSEPH WARD: It would be a very useful thing to have.

Mr. COOK: Including the honourable understandings.

CHAIRMAN: The Conference could not ask for a thing of that sort.

Sir JOSEPH WARD: I thought the Board of Trade would perhaps have it.

CHAIRMAN: I do not know: I will ask.

Royal Arms.

Mr. MASSEY: I want to give notice of a motion I have been asked to lay before the Conference by people who are interesting themselves in the proposal: "This Conference supports the proposal that the Royal Arms should be altered so as to include some appropriate representation of Oversea Dominions and Dependencies and India thereon." There is a petition being circulated.

Channels of Communication.

(See pp. 155-165 of [Cd. 9177].)

The part in [] was omitted from p. 163 of [Cd. 9177].

Mr. MASSEY: Perhaps not then.

[Sir JOSEPH WARD: Progress is a very necessary thing. Now, I will give a typical case of what is in my mind. At the Conference last year I proposed a Resolution asking that we should have the advice of the Lords of the Admiralty as to what they believed to be the best system for a Navy for the British Empire.

Mr. COOK: It is settled long ago.

Sir JOSEPH WARD: It is not settled for the whole Empire, pardon me. You may imagine—Australia, I mean—that it is settled from your point of view; but we are in this position, and I want to call attention to it. This Conference passed a Resolution to get a report for the guidance of the oversea countries, and for the guidance of the people there. And what has happened? There is a report marked "Secret," which has not come to this Conference for consideration and discussion at all; it has gone to the War Cabinet, and we are in the position, as public men, on a matter of great consequence to those whom we represent, of keeping our mouths shut.

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CHANNELS OF COMMUNICATION.

[12th Day.

CHAIRMAN: What report is that? I think that report^a to which you refer has been circulated to the Conference. I am not aware of any report which has not been circulated.

Sir JOSEPH WARD: I have not seen it.

CHAIRMAN: It has been circulated. In the mass of papers you may have overlooked it.

Sir JOSEPH WARD: I may be in the position of having overlooked it. I know it has gone to the War Cabinet, because I have seen it there. It certainly has not come up for discussion here. However, I am calling attention to this as one aspect of the development of the Empire as a whole. There is a matter of the greatest importance and consequence to the Empire as a whole, and it is marked "Secret," and no one can make any use of it.

Mr. MASSEY: We cannot discuss that in war time.

Mr. HUGHES: What has this to do with this Resolution?

Sir JOSEPH WARD: Pardon me, Mr. Hughes. I will discuss it from the standpoint from which I regard it.

Mr. HUGHES: I have opinions upon this particular thing.

Sir JOSEPH WARD: You have your views and I have mine. I am discussing a particular phase of the matter; I have opinions upon it, and I am entitled to express them. I am entitled to put them in my own way.

Mr. HUGHES: I do not know what particular document you are alluding to.

Sir JOSEPH WARD: I am alluding to the Report of the First Sea Lord.

Mr. COOK: Which was circulated to the War Cabinet.

Sir JOSEPH WARD: It is a report on a matter of very great importance to the whole British Empire. That is a document which, in my opinion, should go among the records of the Imperial Conference, and as soon as we are in a position to consider it and when the war is over the word "Secret" is removed from it, in the interests of the public in all parts of the British Empire, it and the discussion should be available for the information of the public.

Mr. COOK: I understand we are to discuss that on Monday or Tuesday, and we are bound to get it.

Sir JOSEPH WARD: Yes, Mr. Cook, but pardon me: I think you will find, and I think it is right—I agree with Mr. Massey there—that in war time you cannot publicly discuss any matters that might be of use to the enemy, and I do not suggest that we should do that. But when this war is over, and we are considering the basis of how to make the Empire stronger, and possibly decide to alter the machinery so as to give it more effective representation, surely it is desirable that in any matter which affects the whole Empire we should not be barred by "Secret" remaining upon a paper after the Conference is over and after the war has ceased? That is the point I make. I say it should be discussed, and both the Admiralty report and the report of the discussion, while they should remain "Secret" until the war is over, that the secrecy should be removed and the public throughout the Empire should know the nature of both.]

I do not propose to take up the time of the Conference further, &c., &c., &c.

* * * * *

THIRTEENTH DAY.

Friday, 19th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 166 and 167 of [Cd. 9177].

Order of Business.

CHAIRMAN: The first item on the agenda paper to-day is Imperial Mineral Resources Bureau (Finance), which is a very small point; but I propose to take the second item, with the consent of the Conference, first, because the Home Secretary, who has been good enough to come, is obliged to be in the House of Commons at 12 o'clock, so that it would be to the advantage of the Conference if we asked the Home Secretary to make a general statement, upon which points could be raised, and if he is unable to stay for the whole of the debate he will leave Sir Edward Troup to represent him. And we have also the Under-Secretary of the War Office, who is the Vice-President of the Army Council, who has been good enough to come also.

Temptations of Oversea Troops.

Sir GEORGE CAVE: I am much obliged to the Conference for taking the question of the Temptations of Oversea Troops first, because I have to be at the House of Commons at 12 o'clock to take charge of a Bill. But Sir Edward Troup and Sir Edward Henry will remain, and will be able to clear up any questions which may still have to be dealt with when I leave. May I say that I have read with very great interest and attention the proceedings of the Imperial War Conference last year, including the statements made by Mr. Massey and by others, and I think we are all at one with them that there is a great evil to be met in the dangers to which the Dominion troops, and those of our Allies who come here, are exposed in the London streets. A great deal has been done in this country with a view to meeting these evils.

May I mention first the regulation which is known here as Regulation 40 D, under which any woman who solicits a member of His Majesty's Forces, including, of course, the Dominion Forces, is exposed to a prosecution and to a penalty. That regulation has only been in force for a limited time, but already there have been a great number of prosecutions under it, and a good many convictions, and I myself hold the view that it will do good. There is, as everybody knows, a difficulty in getting the soldiers to state the facts, but most of them now take the view that for the protection of their comrades, it is their duty to state the facts in a thing like that. Then it is complained in this country that it is a one-sided regulation because it only applies as against women, and not against men, and that it only applies for the protection of soldiers, and not of civilians. Those two statements are true, but to begin with, they do not concern the Dominion troops; and, secondly, we are endeavouring to meet them by passing a Bill through Parliament which will have the same effect for the protection of all classes. That is the first new step which we have taken.

Then very strong measures have been taken by the Local Government Board with a view to the prevention and treatment of venereal disease. It is probably too soon to make a general statement as to the effect of those measures, but my colleague, the President of the Board, thinks well of them, and thinks they are already having their effect. Then suggestions were made, I think, that some plan should be adopted under which women, and especially young women, who solicit in the streets would be liable to be taken and put under arrest, and, if need be, to be confined in some place for treatment, or some home, until they are cured of their

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TEMPTATIONS OF OVERSEA TROOPS.

[13th Day.

Sir GEORGE CAVE—*cont.*

disease. The Government did introduce last year a measure which would have had that effect; but there are people in this country who are exceedingly reluctant to pass measures of that kind, and after a great deal of discussion in the House of Commons, the time gave out and it was impossible to proceed with that measure. It contained also provisions under which bigger penalties could have been imposed for solicitation in the streets. Of course, those provisions were dropped with the Bill.

My position to-day is this: that I am very strongly in sympathy with the opinions of members of the Conference, that every possible step should be taken to meet the evil, to which they very rightly attach grave importance, and if suggestions are made to-day, or at any future time, for a further remedy for these evils, I shall be only too glad to take those suggestions into consideration, and do what I possibly can to carry them into effect. We have powers under the Defence of the Realm Act, but, of course, they are limited powers. If we can use them we will, and if we cannot meet the evil in that way, we must again consider the necessity of proposing legislation. That is all, Mr. Chairman, I desire to say in introducing the matter.

Mr. ROWELL: May I ask one or two questions, Mr. Chairman, of the Home Secretary, to see if I understand the present position? Was Regulation 40 D considered as a substitute for the Bill which you were not able to get through last Session?

Sir GEORGE CAVE: So far as that Bill will operate for the benefit of soldiers, it has the same effect.

Mr. ROWELL: And you have a Bill before the House in the present Session. Is there not a Bill?

Sir GEORGE CAVE: Yes. The same Bill has been introduced into the House of Lords, and is just about to be referred to a Committee of both Houses for consideration. It contains the same provisions.

Mr. ROWELL: What is the prospect of that Bill becoming law this Session, might I ask?

Sir GEORGE CAVE: I should not like to prophesy. It certainly cannot become law before the autumn—probably the late autumn.

Mr. ROWELL: I understood from a perusal of the reports of the last Conference, and also, I think, from a Memorandum which was sent out to all the Dominion Governments, that considerable hostility developed in the House of Commons to some of the provisions of that Bill, and the Government was fearful as to its ability to get through a number of the provisions which were considered important when the Bill was introduced. Does that condition continue to prevail, or are the prospects for getting a satisfactory Bill better now? I wonder if there is any information as to that. I realise the difficulty of forecasting, of course.

Sir GEORGE CAVE: I have no indication that members who were hostile to the Bill have modified their hostility. On the other hand, I do know from deputations which have come to me that there is a very strong feeling in this country, especially among those who take an active part in social work, in favour of the Bill.

Mr. MACPHERSON: You referred to a Conference. Is that the Conference I presided over at the War Office?

Mr. ROWELL: No; I was referring to the last meeting of the Imperial War Conference.

Mr. MACPHERSON: Oh, I see.

CHAIRMAN: Does any member of the Conference wish to make any comments or ask any questions of the Home Secretary?

Mr. ROWELL: From our standpoint, we do not think the measures taken are adequate. We do think that 40 D. will be of some real benefit. I have discussed the matter with different officers in command of our training divisions, and they say they have already received some real benefit from the operation of that regulation, and in two or three at least of our training areas there have been several convictions, which they say has produced a real benefit although it has not wholly met the

Mr. ROWELL—*cont.*

situation. Of course, from our standpoint what we would like to see is an end made of soliciting upon the streets and around the camps. That is our greatest grievance. We appreciate that you have difficulties in dealing with the problem. We, of course, in our more limited sphere do not permit it at all. I understand the Americans in their training camps in the United States have endeavoured to put an end to it. They have met the situation, I am told, in most cases.

Sir GEORGE CAVE: People are warned off the camps, but our great trouble is outside the camps, in the streets. You cannot put all London out of bounds. And in the country it is equally troublesome. It is not in the camps that the trouble occurs; it is outside.

Mr. ROWELL: One may as well speak perfectly frankly. Sir Robert Borden stated the situation, at the last Conference, and I think stated it very strongly, but I am not sure that he stated it more strongly than the Canadian people feel on it. As certain members were not here when it was discussed before, I might just read one or two sentences of what Sir Robert said, because we have the feeling that, over here, you do not realise the depth of feeling which exists, certainly in our Dominion, on this matter. This was Sir Robert Borden's statement in April, 1917*:—"I do not think Canada will ever again send men overseas to any war unless we are assured that such conditions as have met our soldiers here will not meet them again. I say unhesitatingly that if I should be Prime Minister of Canada on the outbreak of another war, I would not send one man overseas if the conditions were such as have prevailed during the progress of this war. I think it is a horrible outrage that they should be exposed, as they have been, and no one sitting round this table can tell me what will be the effect of it upon the life of Canada in the next 25 or 50 years. I have heard from authoritative sources intimations of what its effect is likely to be in our country which are enough to make one shudder. I am absolutely astonished that no steps of any reasonable or adequate character have been taken here to prevent these women swarming round our camps all over this Kingdom—diseased women—for if the men go outside the camp they are immediately pounced upon, and, apparently, there is no law or regulation in this country to prevent such conditions. I have had to consider lately the regulations in this country with regard to the prevention of pleuro-pneumonia in British cattle, and I say that if a hundredth part of the care that has been exercised to prevent pleuro-pneumonia getting into British cattle had been taken to prevent our men becoming infected with these awful diseases, the conditions would be very much better than they are. I think it is high time that the authorities in this country should wake up to the feeling of the people in the Oversea Dominions upon this subject. If effective steps are not taken very soon, I shall speak about it publicly in a way that will not be forgotten."

As you know, Sir Robert Borden is a calm and dispassionate man, and that was his statement as to his feeling and the feeling in Canada with reference to this matter. The Resolution which was passed at the last Conference will be found on page 238 of the Conference proceedings† and is as follows: "That the attention of the authorities concerned be called to the temptations to which our soldiers when on leave are subjected, and that such authorities be empowered by legislation or otherwise (1) to protect our men by having the streets in the neighbourhood of camps, and other places of public resort, kept clear so far as practicable of women of the prostitute class, and (2) to take any other steps that may be necessary to remedy the serious remedy that exists." That is a misprint. It should be "serious evil," not "serious remedy." That Resolution was moved by Mr. Massey, and Sir Robert spoke in favour of it. He said‡: "I am prepared to support this Resolution. If I had been drafting it, I should probably have made it somewhat stronger."

Now we have been unable to see that any very adequate steps have been taken to carry out this Resolution—that is, to protect our men by having the streets in the neighbourhood of camps and other places kept clear, as far as practicable, of women of the prostitute class. We do not see any adequate reason why known prostitutes should not be interned and put out of the way until war is over, whether diseased or

* See p. 190 of Dominions No. 62.

† Dominions No. 62.

‡ *Id. loc. cit.*

Mr. ROWELL—*cont.*

not diseased. We do not see that they should be permitted to infest the streets and public places of this country, lying in wait for clean young men who come to give their lives for their country, and whom we are now compelling to leave their homes to come over here. We have received letters from mothers saying that they do not object to conscription; they are willing for their sons to go and die for their country, but they do object to their being subjected to the conditions of life such as they are compelled to face here in London and other districts.

Now we realise what a tremendous problem it is, and how exceedingly difficult it is to deal with, and if it were not that we feel it so important to our soldiers and to the welfare of the country, to the strength and virility of the race, we would not press the matter so strongly. But I repeat that what Sir Robert Borden said last year is the attitude of our Government in this matter, and we would urge with all the power we have that some further steps should be taken. We realise that you have difficulties, of public opinion and so on; we realise the difficulties of interfering with what may be considered your domestic problems. But it is a little more than a domestic problem. Our soldiers are compelled to come over here, and they have to face these temptations. We are anxious to do all we can to help in this matter. It is in no critical spirit as regards the past, but in order to try and do all we can to help for the future, that we bring this question up.

Sir JOSEPH WARD: Does Canada support the introduction of a C.D. Act?

Mr. ROWELL: No. That question has not been considered.

Sir JOSEPH WARD: Because I think, if I may be allowed to say so, that if the C.D. Act should be brought into operation here, our own people would be dead against the introduction of that Act.

Mr. ROWELL: I interpret the Resolution as applying to all the prostitute class, diseased or not diseased.

Sir JOSEPH WARD: I was not quite sure when you suggested that these women should be put away and examined until cured, I did not know whether it implied the introduction of the C.D. Act in New Zealand.

Mr. ROWELL: I did not say that they should be kept under examination and wait until they are cured.

CHAIRMAN: I understood you to say it should be internment of known prostitutes, whether diseased or not, and the difficulty with regard to that is this. We had a Royal Commission on the subject, and their Report and the evidence they received was of enormous interest; and the difficulty there was shown clearly—the difficulty of establishing what is a prostitute. Since the war I have been the recipient of a great many complaints similar to those which Mr. Rowell has expressed to-day, and we have been told that the real difficulty is that, if you shut up every known prostitute, you would not materially deal with this difficulty, because a great deal of the infection, I understand, comes from people who are not prostitutes at all, and whose character is not discovered until they are found to be diseased.

Mr. MACPHERSON: 70 per cent.

Sir JOSEPH WARD: The trouble is to distinguish between known and unknown prostitutes. It is comparatively easy to deal with or to get rid of the known ones.

Mr. MACPHERSON: We made investigation, and we found conclusively that it was not really from the known prostitute, who looked after herself, that the danger arose, but from the amateur—the servant girl and munition worker, and so on.

Mr. BURTON: Is there a good deal of it amongst them?

Mr. MACPHERSON: I am afraid there is.

Mr. MASSEY: I am sorry to learn, Mr. Long, that more has not been done. I moved the Resolution last year, and I was one of those who spoke somewhat strongly. And we spoke strongly because we felt strongly. The state of things that existed last year, and I am afraid exists now, is not a credit to any civilised country. I do not go about a great deal in the evenings, and lately I have not had the opportunity of seeing, but last year it is no exaggeration to say that there were shoals of prostitutes

Mr. MASSEY—*cont.*

in the Strand. I do not know what other streets may be like, but I am speaking only of the Strand. And there is undoubtedly in New Zealand a very uneasy feeling about the temptations to which our soldiers are subject. There is no question about that. I have had deputations of women speaking in the plainest possible terms about this evil, and I do think, if it is possible to do any more, then more should be done. I am not speaking from the point of view of being strait-laced, or anything of that sort, but I do say that the temptations which have been placed before our soldiers have been such as should not be placed before any set of men, young or old, if it is possible to avoid it, and I think it is possible to avoid it to a very great extent.

There is another matter which has been attracting attention in New Zealand, and that is the use of prophylactics. We have been told out there—I have seen it in print—I have seen it in one or two public prints of the country—that the use of prophylactics is encouraged by the authorities—that they are almost insisted upon. Well, I hope that is not the case. If that sort of thing is to be encouraged, we are soon going to get into the position that other people have got into in days gone by, prior to the downfall of the country to which they belonged. Wherever an Empire has fallen, the downfall has always been preceded by an orgy of immorality, and I am afraid, judging by what we hear now and again, we are getting perilously near that state of things in the larger centres of Great Britain. I sincerely hope it is not the case, but it would be a great relief to parents overseas if they were informed that the British Government, and the British authorities generally, were doing their duty in this respect. While we do not expect our young fellows to be plaster saints, or anything of that sort, we do expect that reasonable care should be taken of them while they are here. Like Mr. Rowell, we have all got to think of the future. We have got to think of the effect during the next 20 years of what is going on to-day; and I trust that the methods which are being adopted here will not be brought into operation in oversea countries when the war comes to an end. I can only support Mr. Rowell in what he has said, and I want to emphasise that if it is possible to do more—I can only speak, of course, from an outsider's point of view—with regard to this evil, then more should be done.

Mr. ROWELL: Have you a law at present prohibiting solicitation? It is only solicitation to the annoyance of the person solicited, is it not?

Sir GEORGE CAVE: Yes, that is so.

Mr. ROWELL: That makes it pretty difficult to get convictions, does it not?

Sir GEORGE CAVE: It makes a difficulty, of course; especially as you cannot get the person solicited to complain. That is often the trouble. I expect a Canadian or New Zealand soldier would be very angry if he were interfered with unduly.

Mr. ROWELL: Quite so; but if you are to deal with soliciting at all, should not that qualification be removed? Why should not solicitation itself on the public streets be an offence against the law in this country?

CHAIRMAN: There have been some extraordinarily hard cases in this country. There was a case occurred the other day of a charge against a young fellow whom I know very well indeed, and there was no foundation for it, but he had to stand his trial. It was a case in which he was supposed to have solicited a woman. Have you any comments to make, Mr. Burton?

Mr. BURTON: No.

Sir GEORGE CAVE: You could not make soliciting an offence unless you make prostitution an offence. It is really only a part of the machinery of prostitution, and in this country—I do not know what would happen in Canada, but in this country to pass a law to make prostitution an offence would be very difficult indeed.

Mr. ROWELL: But we suppress houses of prostitution—keeping disorderly houses—and we would suppress it on the street. Conditions such as you have in

Mr. ROWELL—*cont.*

London could not under any conditions prevail in Toronto or other cities in Canada. I appreciate that in a great metropolitan centre such as London there are difficulties which none of our cities present; but at the same time it seems to me that this is not anything like so difficult as other problems which you have been tackling in connection with this war.

Sir GEORGE CAVE: Perhaps before I leave I ought to mention two regulations which have been passed, partly, I think, because of the resolution of the Conference last year, besides 40 D. One is 13 A, under which the prostitutes can be controlled and removed, and the other is 35 C, under which orders can be made restraining a particular person from coming within particular towns from a camp. Both those regulations have been used a good deal, I think, by the military authorities, and I am sure they have assisted to keep the camps clear. Our great difficulty is with the streets away from the camps, and we have used 40 D and our police powers to the utmost extent. I shall be very glad to strengthen them, and I will certainly consider what has been said by members of the Conference.

Mr. ROWELL: I have discussed this matter with some of our officers, and they have expressed the opinion that the regulation would be more effective if it were not limited to women but covered both sexes.

Mr. MACPHERSON: You cannot do that. It would be impossible. We can only deal with it as it affects soldiers.

Mr. ROWELL: But is there any penalty on a soldier having relations with a woman when he is suffering from venereal disease?

Mr. MACPHERSON: The only penalty we have under the Army Act is a penalty of two years' imprisonment with hard labour if the soldier conceals the fact that he has got the disease. Indirectly he is punished even if he does not conceal it, because the moment he is diseased and found to be he is sent to hospital, and there are hospital stoppages, and stoppages of pay, and stoppages of leave, and stoppages of the wife's allowance—of separation allowance. So that he is indirectly punished in that way. But the only direct punishment we have in the Army is two years' imprisonment if he conceals the disease.

Mr. ROWELL: I did not discuss it with the officers, but I gathered it would have a deterrent effect if it were to cover soldiers as well as women.

Sir GEORGE CAVE: If we pass our Bill. You could not do it under the Defence of the Realm Act.

Mr. MACPHERSON: We have not got power under the Defence of the Realm Act; but I might state at this juncture that, as the Home Secretary pointed out, as a direct result of the Imperial War Conference these three regulations mentioned were passed. With regard to regulation 40 D, which is the one which has excited the greatest comment in this country in certain quarters, I think it is worth knowing that our American Allies have asked to be covered by that regulation also. The regulation as it runs says that a woman is liable to get six months' imprisonment and a fine of 100*l.* if, when diseased, she knowingly communicates that disease to a member of His Majesty's Forces. We are now extending that so as to include the Americans. We have had several convictions under the regulation, and my belief is that it is really going to work very well indeed. Directly arising also out of the Imperial War Conference of last year, we have in the War Office summoned a conference, and that conference is composed of members, military and civil, of all the Dominions and of America, and the Archbishop of Canterbury and Cardinal Bourne, and a delegate from the Free Churches, and Lord Sydenham (who was at one time the Chairman of the Venereal Disease Commission), are also members. We have sat on two occasions, and my belief is that that conference is going to do a very great amount of good. As a result of the first meeting of the conference, we got instituted in our Army, with the consent of everybody concerned, not what is called prophylactics—but I use a word which is more generally used now—namely, the term Early Treatment. In our Army the soldier is not encouraged to take this early treatment with him before he leaves barracks, but by means of lectures and by means

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of very careful organisation he can when he comes into barracks procure for himself, without the knowledge of anybody, a certain form of Early Treatment after the exposure. Now, it is rather significant, I think, that even the Purity Leagues of this country have not strongly objected to that; in fact, I may say all the members of the conference have approved of that; and the result is, as General Goodwin will tell you—he has only been able to get statistics in London—a great decrease in venereal disease in the Army.

Mr. BURTON: Is that during the war period?

Mr. MACPHERSON: Quite recently, within the last month.

General GOODWIN: It has only been in force in London in the last two months.

CHAIRMAN: I am sure the Conference will understand that the Home Secretary has to go to the House of Commons. [*Sir George Cave then left the Conference room.*]

Mr. MACPHERSON: At the last Conference we went a step further, and this step we are going to take upon the urgent insistence of the Dominion representatives. They have started, I think—I am referring particularly to New Zealand—what we in this country would call a clinic system; I think there are five of these in London under the auspices of, I think it is, New Zealand—either that or Australia—little clinics where a soldier who has exposed himself to this inspection can go and be treated at once. I do not think we shall have much difficulty in extending that in this country, because we have, as a matter of fact, under one or two Acts, established clinics in this country.

CHAIRMAN: Yes, under the Local Government Board.

Mr. MACPHERSON: Consequently, we are going to approach the authorities to extend that, as the Dominions have asked us to do it, to all the populous towns in the country.

And the other point which they are very insistent upon is the point which was discussed by Mr. Rowell and Mr. Massey. It is largely the point mentioned by the Home Secretary—namely, getting rid of women who infest the streets. We have looked at that question from every point of view, and it is really a much more difficult and delicate and dangerous question than it looks at first hand. As the Home Secretary pointed out, solicitation with annoyance is an offence, but we have no control over any woman, even in the neighbourhood of camps, provided she behaves herself, unless we know her to be a prostitute who has had one conviction against her; but I think we have statistics to show that we are making very effective and efficient use of the power we have. I do not know how we could extend that power—it is extremely difficult—but at the next Conference we are going seriously to attempt in some way or other to extend that power.

The other thing we have done since the Imperial War Conference met last year is to place Maisons Tolérées in France out of bounds for our troops. It was said that our American Allies, at the moment they landed in France, placed the Maisons Tolérées out of bounds for their troops, but at the last Conference we found that that was not so. They had placed them out of bounds for their troops at the base ports, but they had not so far placed them out of bounds for their troops in the towns in the interior of France. I understand that that question was left to each individual commanding officer in any particular town, and those commanding officers had exercised their discretion, and in the majority of cases the commanding officer had exercised his discretion in not placing these Maisons Tolérées out of bounds. General Bethell, who came from France with Bishop Brent as representing the American Army in France, assured us that General Pershing was going to place all Maisons Tolérées out of bounds for American troops. We had a French representative there, and we were hopeful that all the Allies would take this step, but instead of that, we were told by the French representative that they were really making their Maisons Tolérées more perfect, and the way in which they were making them more perfect was by having increased inspection of the women, and Professor Gougerod, who came, made it perfectly plain to us that he and the French authorities whatever

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they may have thought in the past, now thought that venereal disease could be decreased in one way, and in one way only—namely, by having Maisons Tolérées, strictly regulated, made open for their troops. I do not know that there is anything I can usefully add.

Mr. ROWELL: But are not certain sections of London practically "Maisons Tolérées" without inspection?

Mr. MACPHERSON: I think not. We have no Maisons Tolérées in the accepted sense.

Mr. ROWELL: But without the accepted sense—it is all round the city.

Sir JOSEPH WARD: I assume, Mr. Macpherson, there is no possibility of the system in France being introduced into England?

Mr. MACPHERSON: No.

Sir JOSEPH WARD: Neither is there in our country. So that it looks to me, in connection with this very troublesome matter, that all we can hope for, so far as oversea countries are concerned, is that the amended legislation, which could not get through the House of Commons on the last occasion, may get through soon, so as to give greater power here. After all, the people in our country, especially the parents of young men who come across here, recognise that as long as the attractiveness between the sexes is in existence—and it will be until the Day of Judgment—there are going to be great risks of disease being spread in a percentage of cases. There is no doubt whatever about that. But they are very much concerned at the reports that keep coming out from private people as to the conditions which are said to exist here. Now if these conditions which are reported through private channels to exist do not exist, some authoritative statement made by a responsible Minister in the House of Commons, or someone else in authority, would go a long way towards reassuring them. As a matter of fact, we heard of cases, when we were in France the other day, of a number of men from various countries who had deliberately gone over the top with the intention of not coming back in consequence of suffering from this terrible disease to which we are referring—men who learned their cases were incurable. There is nothing more sad, from the point of view of the relatives of men, either in the British Isles or who have come from all the oversea countries, travelling thousands of miles for the purpose of taking part in this fight against the enemy—there is nothing more sad to contemplate than these relatives being in doubt, or having suspicion of their dear ones returning to their country permeated with this disease, which is certainly going to be handed on and to have ruinous results for many years to come.

In connection with the introduction of the C.D. Act, I want to say this frankly, if you are to have a C.D. Act placed upon the Statute Book, and men and women are to be treated exactly alike, as they should be, then there will be institutions required of such size to cope with the disease as to make it almost impracticable. We had a C.D. Act on our Statute Book at one time, but public opinion was so strong against it that we were compelled to repeal it. I am not at all sure you should not legislate in this country to have decency in the streets and elsewhere with regard to a large number of women insisted on. Some of these men who are out in France seven or eight months, when they come over here see many women half naked. That has arisen during the last four or five years. I do not know whether it meets the visual ideas of a lot of people in this country, or any other country, to find women as near naked as they possibly can be; but we find men who have been across, and they come over here from hardships in France—

CHAIRMAN: Can you tell us, for the information of the Home Office, in what parts of London these women appear in streets improperly dressed?

Sir JOSEPH WARD: I do not say improperly dressed.

CHAIRMAN: Not dressed at all.

Sir JOSEPH WARD: No, but I say the development of fashion appears to be in the direction of allowing—

CHAIRMAN: You need not go into the London streets to find that.

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TEMPTATIONS OF OVERSEA TROOPS.

[19 July 1918.]

Sir JOSEPH WARD: I am talking about the skimpy dress fashions, and I say the effect of that, having regard to sex attractiveness, on men who have been away for a long time, and then they come across here and have this sort of thing placed before their noses practically all over London is, in my opinion, a factor for a part of the trouble that has arisen. I may say that I fully recognise that the people in authority here and the British public are just as concerned and just as desirous as any portion of the Empire to suppress this dangerous disease and the causes that give rise to it. Now if there could be some sensible educative propaganda put into operation by mothers, so as to prevent the exposure of a great portion of the bodies of some of those young women, I believe it would do a great deal of good. It has a tendency to make these men believe that everything is being held out by way of inducement to them, publicly and semi-publicly, and that is a question which has caused a very great deal of discussion amongst sensible women in this country, and in our own country too.

At all events, the information I would like to get to-day on the point of the effects of venereal disease upon our men is this, I would like to have something, if possible, from the Army and from the Navy as to what reduction, if any, there has been since we were here last in cases of venereal disease. That is to say, what is the proportion now as compared to what it was a year ago among those men who are serving on the land and on the sea? If it is a diminishing proportion, it would be very satisfactory to the public to know that. I am sure our people would like to know. I certainly should for one.

General GOODWIN: I am afraid it will be impossible to give the statistics for this year, because they are not out, and I have not got the figures by me; but I think I am correct in saying that in the year 1913 the percentage of venereal disease in the Army was 5·9 per cent.; but I am subject to correction.

Mr. MASSEY: Before the war.

General GOODWIN: The year before the war. Last year the percentage was 2·3. That is subject to correction. I have not got the figures here.

Mr. BURTON: That is quite contrary to the impression which has been conveyed to us abroad, where we are told—I do not say authoritatively, but in a broad, general way—that, owing to war conditions, there has been a very great spread of these diseases.

General GOODWIN: I have not heard it authoritatively.

Mr. MACPHERSON: It is remarkable, when you remember that the Army was supposed to be a segregation camp for this particular disease, that now the proportion in the Army is less than in civil life, or in any profession at the present moment.

Mr. LLOYD: I did not catch that statement. Would you mind repeating it?

Mr. MACPHERSON: The proportion of this disease in the Army is very much less than in any other profession, or among the general population.

Mr. LLOYD: What is the percentage in the general population? How is it determined that it is less?

Mr. MACPHERSON: The statistics can be given.

Mr. LLOYD: We have a general statement that in the Army the percentage is less. What I am asking for is the evidence on which that statement is based.

Mr. MACPHERSON: It has been stated to me time and again.

General GOODWIN: The evidence of recruits coming up for examination. Our experience is that it is less. America has had the same experience. Hundreds of thousands of troops came up in America, and the American public was absolutely horrified to find that venereal disease was enormously more rife in the civil population than it was in the Army.

Mr. MACPHERSON: It will interest you to know that in the first draft 390 out of every 1,000 were infected with this disease in America.

CHAIRMAN: Does that mean infected by actual infection or hereditary disease? Our Royal Commission, which sat for a long time, found that 1 in 10 had a syphilitic taint, and 1 in 10 had a gonorrhoeal taint, and that includes hereditary

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CHAIRMAN—*cont.*

as well as personally-acquired disease. But the figures and revelations in that Report are of profound interest and instruction as to the real truth in these cases. I think that the report as to the great increase in the number of cases is due to the fact that the sort of cases quoted by Sir Robert Borden last year, and by Mr. Rowell to-day, and by the Prime Minister of New Zealand and others, were cases where a young fellow, clean, healthy, and everything that one desires, comes over here and, unfortunately, gets the disease. His case becomes notorious; he probably gives way to great depression, and his family probably hear of it, and every one of such cases bulks very largely. But the actual number, I think, has decreased, and the Admiralty figures, I believe, are even lower than the Army. What the state of things amongst civilians is, I do not know.

Mr. LLOYD: I ask whether there are any figures available with reference to the percentage of disease amongst those enlisting from the civilian population.

General GOODWIN: I could get them for you, I have no doubt, from the National Service Ministry.

Mr. LLOYD: What is your recollection of them?

General GOODWIN: I cannot tell you.

Mr. LLOYD: Is it larger?

General GOODWIN: I believe that there is a very large number observed every day. If you ask me for figures, it is impossible to give them, because venereal disease is not a notifiable disease, and when a man is suffering from venereal disease—

Mr. LLOYD: That is not what I am inquiring about. I am inquiring about recruits who come from civil life, and what I want to get at is the percentage of the recruits that are infected with these diseases.

Mr. MACPHERSON: We will do everything we can to provide you with the figures.

Mr. LLOYD: You see the importance of it. The importance is this: that it may remove absolutely the charge that the Army is a chief means of conveying this disease to the nation at large.

Mr. MACPHERSON: It is very much the reverse.

Mr. LLOYD: I do not wish to take away the strength of the statement made by Sir Robert Borden, who probably was justified, but I have heard a similar statement made with regard to Montreal. A general statement is of little value. We want to get down to the exact facts.

CHAIRMAN: The best plan would be for you to ask in writing for any figures which you would like to have. Mr. Macpherson undertakes on the part of the War Office to supply the figures they have got.

Sir JOSEPH WARD: There is one point Mr. Macpherson referred to which is very important, and I should like to be perfectly certain that it is not understood by me in a wrong way, because I want to use it in our country if necessary. I understand him to say that before joining the Army 390 out of 1,000 were infected.

Mr. MACPHERSON: That is the first draft from the United States.

Sir JOSEPH WARD: 390 out of 1,000.

Mr. MACPHERSON: The draft army—not the regular army.

Sir JOSEPH WARD: But do you know what proportion of any drafts sent out from here of civilians suffer in the same way?

Mr. MACPHERSON: I could not say that straight off.

General GOODWIN: I doubt if it could be got.

Mr. MACPHERSON: I think it is right also to state, since I gave that figure, that the percentage now is something like 1·5 in the American Army.

Mr. ROWELL: 1·5 as compared with what figure?

Mr. MACPHERSON: I do not know what the figure was in the American Regular Army.

Mr. BURTON: In the first draft from America there were 390 men in every 1,000 infected. That is a fearful figure.

Mr. MACPHERSON: Yes, it is; but we got those figures from General Ireland.

General GOODWIN: It was very shocking to Americans to find that the American civil population was infinitely more affected than the Army or Navy.

Mr. MACPHERSON: They have decreased that to a very small proportion now.

Mr. LLOYD: I have heard precisely the same sort of charges made by naval officers against civil authorities—that certain ports were centres of infection of their crews.

Mr. ROWELL: There is no complaint made against the Army. So far as the situation is concerned, I imagine that in all the countries concerned we are only commencing to realise how widespread and dangerous the disease is.

Mr. MACPHERSON: Mr. Lloyd's point is a good one. The statement should be suppressed that the Army in this country is a purveyor of this disease. In fact, it is nothing of the kind.

Mr. ROWELL: That is true in the sense that the percentage, you say, of the civil population is greater; but it is none the less true that every man who becomes infected, and who might not have become infected if proper and reasonable precautions had been taken, does become a purveyor of the disease, and of all the evil consequences that follow. So far as our troops are concerned, I think they would compare favourably, as regards the incidence of venereal disease, with any other troops in any Army, and no doubt they compare very favourably with the civilian population. I think our officers are doing everything in their power to meet the situation, and it is not from the standpoint of the Army that we feel there is ground of complaint. Our complaint is from the standpoint of the continued permission to these women to infest the streets and go around the camps. We feel there should be further preventive measures taken against that.

Mr. MACPHERSON: There is this point to remember, that in the Army the disease is practically a notifiable one. Unless it is notified, the soldier is penalised, as I say, very severely.

Mr. ROWELL: That is true, of course, in the Army; not only is it notifiable, but preventive, and remedial measures are taken in the Army that are not taken in the civil population. And it is because of those measures that you have produced the results you have in the Army as compared with the civil population.

CHAIRMAN: Of course, there is a most extraordinary difficulty here. Take Salisbury Plain, the Southern Command, where I live. There is an extraordinary difficulty, because there are a large number of towns which have nothing to do with the Command. No troops are located in them, and they have no connection whatever with the military command, and however much women are hunted out of the area where there is jurisdiction, they take refuge in adjoining towns and villages. And I can speak from personal experience; we have had the utmost difficulty, and we have done our best to root them out. But we have had to deal with most extraordinary cases, in which women have established private brothels, and have brought their daughters from service, and have collected other girls there, and it is extraordinarily difficult for the police to find out that this is going on. So far as the communication of venereal disease takes place, the evil has been done before the discovery that the brothel is set up by these dreadful women. Often you have the utmost difficulty in dealing with it. It is hard to find evidence. The soldiers disappear; they will probably bicycle 18 or 20 miles to this village for some reason—they may know of the existence of this place, or they may go there for another purpose; but it is extraordinarily difficult for the military authorities to control it. They cannot be held responsible, and the civilians who are responsible, as the Conference knows, for the care of the counties—it has nothing to do with the Home Office—our county committees—do everything they can to hound these places out, but it is extraordinarily difficult; it is outside military jurisdiction, and it may be 8 or 10 miles from the military camp; the officer commanding the district has no control. All he can do is to say that soldiers resort to a particular place, and when we

CHAIRMAN—*cont.*

have found it out—I could give specific instances—we have turned the people out. In some cases we have even had to run the risk of being prosecuted for libel, but we have had them out, and we have hounded them out of the county so far as we can. But the difficulties are enormous, and I believe a great deal more has been done by both military and civil authorities in this country than people realise.

Colonel RAFFAN: They simply move from one area to another. They are shifted from Salisbury Plain area and go to another camp, and they may be three months there before they are discovered.

Mr. BURTON: What is the state of things in the Navy?

Sir WILLIAM NORMAN: I have no figures, but, generally speaking, the disease has not been more prevalent than it was in peace time. Amongst our own Bluejackets it has been rather less so. Of late years we have had a lot of trawlers and fishermen, and there is a certain amount of disease amongst them, but it is not excessive. The men are all given periodical lectures, too, and each man on joining the Service gets a card which points out the consequences of the disease and its symptoms. As far as it is possible, we give them ablution rooms. Amongst our own men of the Grand Fleet it is less because they have not so much leave; but at some of the bases it is perhaps a little more. I have not the exact percentage.

Mr. BURTON: You do not remember approximately what the figures are?

Sir WILLIAM NORMAN: I think it is about two. It can be obtained.^o The other day in getting a report in from Portsmouth, where the disease was much less than the quarter before, the Medical Officer attributed the decrease to the ablution rooms and the clinics which have been established at Portsmouth. In addition to the medical establishment, when, 14 years ago, I was at the barracks at Eastney, I started the ablution method there in the barracks, just inside the drill shed. The men were brought up to us as they came off parade, the recruits, and we told them in a few plain words what they were liable to. Day and night the light was kept burning in the shed, and disinfectants put there, and I hear at the present time, and I think General Aston will bear me out—

General ASTON: I can give the figure for nine months last year: five cases contracted the disease in Portsmouth out of 3,750 men, as far as I can remember.

Sir WILLIAM NORMAN: That only shows what can be done, and that system we are trying to bring in all over the Navy. But now we are extending our ablution rooms, are making them larger and are providing separate places for petty officers and men, with medical officers in charge of them. And lectures are always given, and have been for years.

CHAIRMAN: I do not know whether we can carry it further. Does the Conference wish to pass a Resolution, or leave the matter as it is in the hands of the authorities here? The result of the discussion has been to make it quite apparent that the Conference hold the same views as they held last year, and are extremely anxious that every effort should be made to exterminate this foul pest from the country. Whether the Conference will be satisfied with that, or will wish to pass a Resolution, I do not know.

Mr. ROWELL: I think the way in which you have summed up, Mr. Long, fairly states the situation—unless Mr. Massey thinks a Resolution should follow.

Mr. MASSEY: No, I do not think so.

Mr. ROWELL: Let me ask one question before we pass from this, Mr. Long. As I read the report of the proceedings of the last Conference, I think it was General Childs, or perhaps one of the other officers, pointed out that one of the difficulties here was that the penalty for soliciting was small, and that the effect was not really a deterrent—that the woman only needs to ply her trade a little more briskly in order to make up for the fine imposed, and that nothing less than a term of imprisonment would operate effectively.

Sir EDWARD HENRY: I may tell you that in a great number of cases they can only be fined.

^o The figure is approximately 3·50 per 1,000.

13th Day.] PREFERENCE TO EMPIRE RAW MATERIALS IN GOVERNMENT CONTRACTS. [19 July 1918.]

Mr. ROWELL: If that is the case, cannot some remedy be found for this? It means legislation, I recognise, but why should such legislation not be secured?

Mr. MACPHERSON: I spoke of it to the Home Secretary. I am trying to arrange a conference with him and the President of the Local Government Board—and I can assure you that the matter is not being lost sight of.

Sir EDWARD TROUP: It was one of the proposals in the Bill last session, and I think it was thrown out by a small majority.

Mr. ROWELL: It is still in the Bill this session?

Sir EDWARD TROUP: No, it is not in the Bill this session. It was thrown out in Committee.

Sir EDWARD HENRY: It has been pointed out that the real danger arises, not from the prostitute, but from the "irregular."

Mr. ROWELL: I understand the figures indicate that substantially 70 per cent. of the cases come from the casual rather than from the common prostitute, but I think it will be found that a substantial number of the cases of first contact, when men come to the city, arise from open solicitation, these men are subjected to conditions and environment from which they have been wholly free before, and especially after a man has taken a glass or two of liquor, he may, under the conditions of open solicitation, be started upon a course which ends up in his contracting the disease. This open solicitation we think should be stopped.

CHAIRMAN: May we consider this discussion closed?

[Agreed.]

Imperial Mineral Resources Bureau.

(See pp. 167 and 168 of [Cd. 9177].)

Preference to Empire Raw Materials in Government Contracts.

(See pp. 169–173 of [Cd. 9177].)

The part in [] was omitted from p. 172 of [Cd. 9177].

Mr. HEWINS: * * * All the evidence we have shows there is very great willingness here to act upon that principle, and my opinion is that you can give very good preference in that way.

[CHAIRMAN: Where there was departure from this principle during the war, I think it was entirely due to the tonnage question. We discussed it last year, and this is partly a consequential action of His Majesty's Government upon the Resolution of last year; and the other part is found in the action of the same Committee on Trade Relations which recommended a preference of 33½ per cent. upon all dutiable articles, and that the same preference of 33½ per cent. should be levied upon articles upon which duties might be imposed in the future; but we inserted a proviso that it was not desirable that a duty should be imposed upon an article not dutiable at present, solely with the object of enabling us to grant preferences. This recommendation, which was unanimously made by the Committee over which I had the honour of presiding, has been considered by His Majesty's Government and by the Cabinet, and has received definite and final approval; and that fact was announced here the other day; the Chancellor made the announcement that the Government had decided in favour of it, and I think the announcement has been made in Parliament that we have definitely adopted, in addition to an administrative preference policy, a policy of preference within the Empire, and we have practically decided what form it is going to take.]

Mr. MASSEY: Is it going to be given legislative effect in the near future?

CHAIRMAN: I imagine so, as soon as possible. It really requires imposition of duties.

Mr. MASSEY: Does not that require legislation?

CHAIRMAN: Yes, as far as the Finance Act is concerned.

Mr. MASSEY: It is impossible to impose duties without legislation? I know it is so with us.

CHAIRMAN: Yes, you have to put it into the Budget Bill—into the Finance Act.]

Sir JOSEPH WARD: I had not this report in my hands, &c., &c.

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ORDER OF BUSINESS.

[13th Day.]

Order of Business.

CHAIRMAN: Before the Conference adjourns, may I ask their consideration of our Agenda for next week. There has been a general desire expressed that we should, if possible, conclude our labours by the end of next week, and I think, if we are going to do this, it will be necessary to have sittings in the afternoons as well as in the mornings, and, of course, there will be a good deal of pressure to get through some of the items, especially as I understand that on Monday we shall have some difficulty owing to the absence of the representatives of Australia. Again, there have been several important questions referred to Committees, and I will tell the Conference how these stand. The Raw Materials Committee have done the greater part of their work, but there are 19 reports, and the printing involved is extremely heavy, and I doubt whether the reports can be ready before the middle of next week at the earliest. The next meeting of the Committee has got to be fixed, and it would be a great convenience if it could be settled to-day. Then the Shipping Committee is fixed for five on Monday; it has had to be deferred once already, and I am rather doubtful whether the questions submitted to it will not after all have to be remitted to a special Committee, as proposed by the Board of Trade. The Aliens Committee have agreed to recommend the dropping of most of the items, but the first item, Naturalization, remains, and I understand the Prime Minister of New Zealand proposes to submit a resolution on that subject. Then this afternoon the Committee on Reciprocity with India is to meet, and this is a subject to which the Indian representatives attach enormous importance. I think I may venture to say on behalf of the other members of the Conference that we are all very much indebted to India for the reticence and self-denial which they have exercised, which have enabled us to proceed with other business and to get on as far as we have. It is not that they do not feel very strongly about a great many questions, or that they have not got special subjects to introduce, but, with a genuine desire to advance business and help us in every way, they have treated us with very great generosity. That makes it all the more incumbent upon us to see that this question, to which they attach immense importance, is properly discussed, and it seems impossible to discuss it properly unless all the Dominions are represented; and I am saying this in order that India may, as far as possible, receive full consideration for a case in which she is profoundly interested. Then it is proposed that we should conclude our Conference, if possible, on Friday afternoon by passing a Loyal Address to the King, which I understand His Majesty will be graciously pleased to receive at Buckingham Palace at 5.30 that afternoon, and if the Conference agrees, I will have a draft of the proposed Address ready on Monday.

Mr. BURTON: I do not know how many subjects there are left on the Agenda paper, but are we bound to consider them all?

CHAIRMAN: I have a list somewhere. Everything is on this Agenda (*handing it to Mr. Burton*).

Mr. MONTAGU: As to the Pacific question, is that raised by Australia or New Zealand?

CHAIRMAN: Australia and New Zealand. They both take an active interest.

Mr. MASSEY: Is there a motion?

CHAIRMAN: There is no Resolution handed in yet. This list exhausts everything now left.

Mr. ROWELL: I know it is the view of Sir Robert Borden, Mr. Long, that the Admiralty Memorandum had better be discussed confidentially by members of the different Governments with the Admiralty. I think the form of Resolution passed at the last Conference was to the effect that the Admiralty should be requested to prepare a memorandum which should be communicated to the different Governments for their consideration* and suggestions; and as to the Memorandum† which has just now been presented, I know the view of the Dominion of Canada is that our Government has not had opportunity to give it consideration, and that we would prefer discussing the matter with the Admiralty before there is any discussion here, and before we could feel that any discussion could be of much use in the Conference.

* See page xli. of Dominions No. 62.

† See p. 349.

CHAIRMAN: You propose a discussion with the Admiralty in substitution for a discussion here?

Mr. ROWELL: We do not feel that progress can be made, so far as Canada is concerned, by discussion here. If it comes up for discussion in the Conference, we shall have to take the position that we should follow the procedure outlined in the Resolution of last Conference and discuss the Admiralty Memorandum between our own Government and the Admiralty before we discuss it here at the Conference.

CHAIRMAN: We need not do anything for the present, because this matter does not come on till Friday. The First Lord is away, and I shall be glad if it is decided to hold the discussion confidentially with the Admiralty authorities; it will relieve us; but, of course, I am entirely in the hands of the Conference.

Mr. ROWELL: Do I understand the Australian members will not be here on Monday?

CHAIRMAN: Not till the afternoon.

Mr. BURTON: Will that affect our sitting in the morning?

CHAIRMAN: I think Mr. Cook will be here.

Mr. ROWELL: Sir Robert Borden suggested to me that further consideration of the Resolution for the creation of an Imperial Court of Appeal might be given on Monday, but it could not come up if Mr. Hughes will be away. I assume it will therefore come up on Wednesday.

CHAIRMAN: May I take it that you adopt the general sketch I have given of our business as stated in the paper which has been circulated, and my proposal with regard to an address to the King? The Raw Materials Committee meets on Tuesday at 10.15.

Sir S. P. SINHA: In fixing the questions of reciprocity between India and the Dominions for Monday, I do not know whether you have borne in mind that the Australian representatives, who were not here last year so far as I know, are not able to be present.

CHAIRMAN: Mr. Cook will be present on Monday morning, and both of the Australian representatives in the afternoon. Sir Robert Garran will attend for Australia this afternoon. You will represent Australia, Sir Robert?

Sir ROBERT GARRAN: Yes.

Sir S. P. SINHA: There is no Committee on Raw Materials this afternoon?

CHAIRMAN: No. General Aston has asked me to say that there is a map in the War Cabinet Room, No. 2, Whitehall Gardens, specially marked with the results of yesterday's fighting on it, in case anybody wishes to see it.

FOURTEENTH DAY.

Monday, 22nd July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 174, 175 of [Cd. 9177].

Demobilization.

CHAIRMAN: Demobilization is the first subject which is raised, and it is raised by your Government, Sir Robert Borden.

Sir ROBERT BORDEN: It will not take a great deal of time.

CHAIRMAN: Mr. Macpherson cannot come, but Sir Reginald Brade is here, and will represent the War Office. So we had better begin. We will take Demobilization, raised by Canada.

Sir ROBERT BORDEN: The general question of demobilization was considered last year, and a Resolution was passed on the subject, which did not, however, go very much into detail.* But, apart from that Resolution, there was a discussion on the subject, and it was generally agreed that it presented very difficult and serious questions. The mother-country and each of the Dominions of the Empire, India as well, must, of course, deal with those problems in so far as they specially relate to the part of the Empire in question. One question upon which we desired information and consideration was that relating to the return and transportation of troops from the various theatres of war to their own country, as to whether or not they shall come back according to the length of service, or by classes of occupations, or whether their priority of return shall depend on whether they are married or single. All these are questions which, I suppose, each Dominion must deal with for itself. The transportation of the troops which Canada sent to the front cannot be effected, so far as we can learn, in less than about nine months, and it is possible that it might occupy a very much longer period. It seems desirable, therefore, that in the immediate future some consideration should be given upon consultation between the authorities here and the Governments of each Dominion and of India as to the provision of shipping which shall be made, how it shall be allocated, and what principles shall be followed in its allocation. It is a matter of great importance to us as to whether our troops shall return to Canada within nine months or two years, which has been spoken of as a possible period over which transportation might take place. I am not aware as to whether or not any consideration has been given to this aspect of the subject, which is very important from our standpoint.

The subjects which have been confidentially put forward by the Canadian military authorities as proper to be taken into consideration in the future are the following:— (1) The ships to be made available for transportation during armistice, of the wives and dependents of members of the overseas forces. (2) The ships to be made available for transportation of Canadian troops on cessation of hostilities. (3) The allotment of berthing and such other accommodation as may be required at ports of embarkation in England and France. (4) The allotment of suitable concentration camps in England and France for Canadian troops. (5) The provision of facilities for a limited cross-channel service for Canadians during demobilization. (6) The arms, munitions, equipment, stores, and animals to be taken by Canadian troops to Canada. (7) The disposition to be made on demobilization of surplus arms, munition equipment, stores,

* See p. XII. of Dominions No. 62.

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DEMobilIZATION.

[22 July 1918.]

Sir ROBERT BORDEN—*cont.*

and animals. (8) The occupation of Canadian troops during their enforced stay in England and France pending embarkation.

We did discuss last year, in a very confidential way, the occupation of the troops of the various Dominions of the Empire during the period they might be required to remain in France or in Great Britain, before they could embark for their own Dominion. It was universally recognised, at that time, that this question presented very serious difficulties. Since then, in our Dominion, and, doubtless, in other Dominions of the Empire, there has been a movement towards the establishment of educational facilities by which men can be instructed in various occupations, including agriculture, and doubtless they might receive instruction during any period while the war is being carried on, when their services were not actually required for fighting or other purposes. Possibly this movement might be extended, so as to be of service to Dominion troops after the cessation of the war, and during the period for which they must remain before they can embark to their own country.

However, I have indicated the subjects, and our purpose in bringing the matter to the attention of the Conference is not to move any Resolution, but rather to have a discussion so as to obtain the views of the authorities in the mother-country and the oversea Dominions and India, and to obtain information particularly upon the question of shipping and other facilities for embarkation.

CHAIRMAN: Is anybody going to speak on this matter?

Mr. MASSEY: We discussed this at considerable length last year, and passed a Resolution, but, as a matter of fact, the Resolution was so colourless that it was practically of no value, except on one point, and that point was that soldiers from the oversea Dominions desiring to visit the United Kingdom before going back to their own country, and not having had the opportunity of doing so, should get furlough for that purpose.

Sir ROBERT BORDEN: I do not think that was expressed in the Resolution.

Mr. MASSEY: Oh, yes. The Resolution agreed by the Conference was: "It was agreed that all Dominion contingents in France should start as soon as possible with their equipment from a French or Belgian port, but arrangements will be made to give individual soldiers desiring to visit this country furlough for that purpose."

Sir ROBERT BORDEN: Yes.

Mr. MASSEY: The Resolution does not apply in any way to the soldiers serving on other fronts than the Western front. It does not apply, for instance, to the soldiers serving in India, or Palestine, or Mesopotamia. Their case must be dealt with separately. But there was an understanding arrived at, so far as we were concerned—I am speaking specially, of course, of New Zealand. Demobilization is probably of more importance to New Zealand in proportion to its population than to any of the other Dominions, because we happen to be the furthest away from Europe. What we arranged was this—and, as I say, I am now speaking on behalf of New Zealand only, not of what took place at the Conference, but on conferring with the General in Command of the New Zealand Forces in England, General Richardson and myself agreed that, if it was possible to arrange it, our troops should go back in the order in which they arrived—that is to say, those which came first should go first. We thought that would be more satisfactory than any other arrangement we could possibly make. We require New Zealand traders for carrying them, we do not depend on the ships which were specially requisitioned for carrying troops. I suppose half our troops are carried by the ordinary oversea trading ships, and we propose to utilise them when demobilization takes place for carrying the troops back. Each of these ships will carry 1,000 to 1,500 men, probably more than that number. And if special arrangements are made, we think that will be the best way to get our troops back. If we are able to commence directly the war comes to an end and peace arrangements are carried out—and I do not think there will be any difficulties placed in the way by the Imperial Government—we can get our troops away in from six to nine months; that is our estimate, and I do not think it is too optimistic, of

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Mr. MASSEY—*cont.*

course taking them through the Panama Canal, which is a little shorter than the route which was used before its opening.

Then Sir Robert Borden spoke of utilising the time of the men between the end of the war and when they depart to their own countries in giving them instruction with regard to the occupations which they will probably take up when they return. I am glad to say that, as far as New Zealand is concerned, we have already made a commencement, and, I think, a very good commencement, at our two camps in England, one at Hornchurch, and one—in a small way—at Oatlands, not far from Walton, where these men, and especially those—and it applies to them more than to any others—who have been partially incapacitated, and who could not go back to the occupations they previously followed, are being trained. We are giving them, there, instruction in the callings they select to take up, such as acquaintance with electrical machinery, agriculture, horticulture, and so on. My colleague and myself were down there the other day, and they showed us a man being instructed in horticulture; others were under instruction in shorthand and typewriting, men who had lost one hand—there were several of these—and, as far as we were able to judge, they were doing particularly well. The men, as we could see for ourselves, were taking the subjects up quite enthusiastically, and were giving great satisfaction to the officers who were instructing them. If any of the members of the Conference, any of the Dominion representatives, would like to go to Hornchurch or to Oatlands, I am sure General Richardson will be very glad to arrange accordingly.

I do not know that there is anything else I can say, Mr. Long. Each country, of course, has its own requirements and difficulties with regard to getting its troops back, and I take it that each country will make its own arrangements.

Mr. COOK: Hardly that.

Mr. MASSEY: We expect to be assisted by the Imperial Government, and any difficulties removed; that is not, I think, too much to ask or expect. But what we arrived at last year was that our troops, those from Australia and New Zealand, who want to come to England in the way of furlough, who have not had the opportunity, should have the chance of doing so.

Mr. COOK: I should like to hear a statement as to what is the present position of affairs from the point of view of the War Office. Can we have that?

Sir ROBERT BORDEN: As to the facilities for transportation?

Mr. COOK: As to the Dominion problem as a whole.

Mr. LLOYD: I think that would be far better; I do not think that any good purpose would be served by going the round of the representatives of the Dominions and asking their opinions.

Sir ROBERT BORDEN: The root of the matter with us is this question of transportation, and we want to know what the arrangements are.

CHAIRMAN: Is it the wish of the Conference that Sir Reginald Brade should tell us what he has to say on the part of the War Office, especially with regard to tonnage?

Sir REGINALD BRADE: Of course, the War Office interest in this matter is to see that the military process of demobilization is carried out effectually. There is also a reconstruction side to demobilization, and that is being worked out in conjunction with the War Office. But the civil authorities are more concerned with that; it is their business. With regard to the problems which have been raised by Sir Robert Borden and Mr. Massey, they are all problems that we are struggling with ourselves. And in regard to transportation, I do not think that the War Office can settle that, but they are trying to work it out in conjunction with the Ministry of Shipping. But it all depends on the position of the armies, and the state of the tonnage when the war comes to an end and the process of demobilization commences. It is very difficult to say—I do not know whether there is a representative of the Ministry of Shipping here, and I do not know whether they would be in a position to say very much on that subject now. As I say, we are struggling with these problems,

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and I could not be of much assistance at the moment, as decisions cannot be reached finally in regard to the more important of those that have been referred to until we know more definitely the conditions in which demobilization will be conducted.

CHAIRMAN: Would you like to have somebody over from the Ministry of Shipping?

Mr. MASSEY: I think it would be a very good thing.

Mr. LLOYD: Yes.

Sir ROBERT BORDEN: Perhaps it might be more useful if the Ministry of Shipping were to put their views in the form of a memorandum and circulate it to us.

Sir REGINALD BRADE: We could also help in a similar way by circulating a memorandum showing the manner in which we are endeavouring to deal with the Imperial troops, and solving the problems which have been raised, because they are all problems we have to solve for ourselves.

Mr. COOK: After all, the Imperial transport relates to the armies in the field; the Imperial side of it relates to questions of transport and the maintenance of the armies there until they get back. The rest, I take it, is our problem.

Sir REGINALD BRADE: Certainly.

Mr. LLOYD: One advantage of having a representative of the Ministry of Shipping here would be that we could discuss the matter with him. A memorandum would not have the same advantage.

Sir ROBERT BORDEN: It would, of course, have to be discussed afterwards. If the Ministry of Shipping is ready, we can discuss it now.

Mr. MONTAGU: You said, Sir Reginald, you were struggling with the problem of the conveyance of the Imperial troops. But have you not finished your struggle? Have you not arranged your plan? Have you not arranged to deal with so many troops per day?—and does not that mean that you have assured yourself of the tonnage which will be available?

Sir REGINALD BRADE: I think not. We have drawn up a scheme of the order in which men will come back into civil life, and we have made a rough calculation of the numbers that can be dealt with each day. We do not think we can pass more than a certain number, but we have not guaranteed that that number will come, because we do not know exactly where the neck of the bottle will be, whether it will be train facilities, ships, or wharfrage. The problem may be all three combined.

Mr. MONTAGU: But have you made an estimate of the amount of shipping you will require, and indented, as it were, upon this figure?

Sir REGINALD BRADE: No. That is being worked out, as far as it can be worked out, by our Movements Branch in association with the Ministry of Shipping, but I do not think we have developed any sure and final estimate.

General BURNETT-HITCHCOCK: The estimate for France is quite clear; we can work for a maximum coming from France. The estimate for those coming from Mesopotamia and from Egypt is not clear, owing to the lack of knowledge as to what shipping will be left. There is no difficulty with regard to France. The wharfrage accommodation is the factor there which governs everything. And we cannot know beforehand which ports we shall have, whether we can cross from Dunkirk, how far east and west we shall be, and what ports the French will allot to the Americans.

Mr. BURTON: That refers to shipping to bring men back to England.

Mr. LLOYD: I take it the American problem is intimately connected with your own, because, after all, wharfrage accommodation will be limited by what shipping can be afforded for the purpose by the Ministry of Shipping.

General BURNETT-HITCHCOCK: The calculations at present show that the wharfrage accommodation will be lower than the ship accommodation.

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Mr. LLOYD: I mean there will be an intimate connection between the British ships and the wharfrage accommodation allotted to the American Government troops.

Mr. COOK: There are troublesome questions, not the least of which will be, I should think, the doing of the fair thing by the Dominions. Mr. Massey spoke, just now, of getting all his men home in six to nine months. I hope he may.

Mr. MASSEY: If we have the ships we can do it.

Mr. COOK: I hope we may get ours home too, at the same time. The question is, how far one Dominion can get all its troops over, and that will depend very largely on how soon the whole problem is settled. After all, it is a combined problem, and there is always the question what is the fair thing to do amongst the Dominions, as well as the problem which relates itself to the Imperial side of things. There are a lot of factors which cannot be settled in the present uncertain state of things. For instance, the Peace Conference may last many months.

Mr. MASSEY: That is not included in my six or nine months.

Mr. COOK: You have all the armies in the field. I do not know whether the Imperial authorities have considered that aspect of it, but it is a very serious problem what to do with all those armies for, perhaps, a prolonged period which, I can readily understand, may be occupied in bargaining over terms of peace; and these troops will require to be kept there and fed for all that time. What is it proposed should be done with those troops during that time? Are they to stand to arms during all that time, or are they to be trained with a view to reconstruction or repatriation, whatever you choose to call it, during that interim period? These are questions which, I think, might give us all serious concern. We also have good men over here working at this problem of repatriation. It is quite clear that a useful beginning can be made over here, and I shall hope to avail myself of Mr. Massey's invitation to see what the New Zealand people are doing. We have one of our very best men working over here at the problem, in the person of Bishop Long. He is at work seeing what can be done in this respect, and only the other day I cabled over to our Minister of Repatriation asking him to cable the latest developments of his scheme with the view of seeing how far we could begin over here to get the soldiers ready by the time they arrive home. All these are problems, of course, which concern the Dominions only. These other questions, of transport and the maintenance of armies until they can be transported, as to what should be done with the troops while they are awaiting transportation, are matters, I think, which relate themselves to the efforts of the Imperial authorities, and cannot very well be settled without them. If the war lasts much longer I fancy this question of transport will begin to ease. Already we are getting ahead of the U-boat quite well, and transport facilities will, I think, begin to multiply; that is to say, there will be an accumulation of shipping again, which will be all to the good. But just how this shipping is to be allocated, what troops are to go, and where to, and what degree of priority is to be given to them, are all, as it seems to me, troublesome questions which will have to be considered later on. And it would be interesting, I think, to get what is in the minds of the Imperial authorities up till now. I think that since this Conference met before, and since these very useful statements were made by Sir Reginald Brade, we have been studying the question, and if we could know whether there are any fresh developments, or whether you yourself, Sir Reginald, are waiting to see what shipping will be available, it will help us very much. We want to get our men home as soon as we can, and we want to make them as fit as we possibly can, that they may on their arrival home get back to civil life as quickly as possible. As to this matter, a great deal can be done over here, it seems to me. For instance, there is that class of boys who came before their education was completed, men who came from schools, men who left their apprenticeships, men who left their colleges: they will all have to go back and begin again in many cases. That is a national problem. And it does appear to me that things can very well be gone into over here, so as to make a useful beginning with that end in view, and I am glad to hear that other Dominions are at work on this subject as we ourselves are. That is our side of the problem. We want to know from the Imperial authorities, if they can tell us, how long it will take, after peace is declared, before we can get our troops over. That is, after all, the essence of the question.

Sir REGINALD BRADE: I do not think we can say that until the shipping problem is clear, and other allied problems, such as wharfage and so on. That is the crux of the whole situation. We have our plans for getting our soldiers back according to the industrial needs after the war, and we are having arrangements made so that when the right time comes the right men can be got back first. A great amount of detail work is being done, and the whole of that information can very well be placed at the disposal of the Dominion authorities for what it is worth from their point of view. For instance, about occupation during demobilization, I understand Mr. Massey to say New Zealand is already doing something, and I think Australia has already a scheme at work.

Mr. COOK: Yes.

Sir REGINALD BRADE: We are also working out a scheme. Apart from the larger questions as to what the military situation will be when peace comes, whether there will be a long armistice or no armistice, I think nobody can say anything—the War Office cannot, nor can we here say anything very profitable—as to the shipping side of the problem, but we are working steadily, on detail after detail, upon various alternative assumptions. All those plans, and all that detailed information, can be readily placed at the disposal of the Dominion authorities, and it has occurred to us to make a suggestion that a co-ordinating committee might be formed to sit in more or less constant session here for the exchange of ideas, and for the exchange of information, and for the procuring of decisions readily; that would keep the subject in all its aspects before one body, and when that body came up against large questions of principle, then the various authorities, the Dominion and the Imperial authorities, could be asked for decisions. I do not know whether that suggestion would be of any use to this Conference. I have had it reduced to writing, and I think copies are available here for circulation.

Mr. MASSEY: Have you got it here?

Sir REGINALD BRADE: Yes.

The following draft Resolution was then circulated:—

"The Conference agrees that an Advisory and Executive Committee—to be known as the 'Military Demobilization Committee of the British Empire'—should be set up forthwith:—

(a) To consist of representatives of the military authorities of the Dominions and Colonies and of representatives of the War Office, under the chairmanship of the Secretary of State for War, or someone deputed by him, the secretariat of the committee to be provided by the Mobilization Directorate of the War Office;

(b) To consider all military questions of demobilization affecting both the Imperial and the Dominion or Colonial Governments by:—

- (i) making decisions in regard to matters of detail;
- (ii) submitting questions of principle which may arise from time to time to the Government or Governments concerned;
- (iii) arranging for the fullest interchange of information with regard to plans for demobilization.

(c) To sit, prior to demobilization, at such time as may be considered necessary by the chairman; during demobilization, as frequently as may be necessary to secure the complete mutual co-ordination of the Imperial and Dominion or Colonial demobilization procedure."

Sir JOSEPH WARD: Mr. Long, I take it that very little can be done in this Conference in addition to what was done at the last Conference. These Resolutions were proposed of a pretty wide nature on account of the uncertainty due to the shipping problems which are bound to arise at the end of the war. But there can be no doubt, as the result of interviews Mr. Massey and I had with the war authorities, that they think it best to work out a scheme of demobilization generally. General Richardson has worked out a scheme for us in connection with the demobilization of New Zealand soldiers. There is a very great deal going to depend, when the time comes, upon the distinct allocation of ships to particular Dominions for conveying their own troops back to their own countries. If there is going to be a scramble for ships in

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any way whatever, then it may very well be that the time estimated by the War Office will be extended. It was anticipated that the demobilization would be effected in six months, but it may be extended beyond that. But it has to be remembered that in addition to the ships belonging to each of the countries, there is going to be released immediately peace is declared—and I do not suppose there will be a long armistice—that large proportion of ships which have been withdrawn for war purposes now used by the Navy for purposes other than the conveyance of troops and supplies. A large number of those ships will be released, and it should be clearly understood that a portion of those, in addition to the ships belonging to each country, will be devoted to the purposes of taking back our troops.

This whole matter raises tremendous complications so far as New Zealand is concerned. If the time for demobilization is going to be extended from nine to 12 months, we are going to have a position in our country—I cannot speak of other countries—which will be of the most serious kind; and at this juncture something requires to be done to meet that situation, or else there is going to be trouble arising. The great alteration since the matter was discussed last year is the coming in of America with its millions of men who are coming over here. That is going to be an overriding factor in the obtaining of sufficient transport to convey the troops back quickly after the completion of war. We are in this position at the moment, so far as New Zealand is concerned—that a large number of our refrigerating steamers have been taken, upon which we are dependent, as a country producing articles which require to be conveyed by refrigerating steamers chiefly—indeed almost entirely—and we are in the position of having 24,000,000^l, or 25,000,000^l, of produce held up in our country now because of the diversion of our refrigerating steamers for the conveyance of American troops. I am not complaining of this at all, for I recognise its necessity; but I am pointing out that we are getting into a position in New Zealand which is going to embarrass the country if it is not met. I am of the opinion that in some way or other the Shipping Ministry—I regret it is not represented here to-day—ought at this juncture to consider seriously the position by giving authority for the building of refrigerating ships in order to take up our trade; because we have got to provide the whole of the money for war purposes in New Zealand, and we are in a very serious position. We are dependent upon the return from our produce in that country to enable us to carry on our share of the war expenses, and if, in addition to the diversion of our steamers to America now, at the end of the war we are to have them locked up for six to nine months conveying troops, and not being available for our refrigerated products, it will bring about a condition of things in that country which will be very serious—indeed, it is serious now. Both Mr. Massey and myself have made continuous representations about it, and I think the Shipping Ministry are doing all they can to meet it, but it is governed at present by the carrying men from America. But when this transportation starts, if we are going to have our ships used for transport purposes, they cannot be used for carrying refrigerated cargoes to England. I think the matter is of sufficient importance for this Conference, before it rises, to make representations to the Shipping Ministry as to the seriousness of the situation which has been created. We are at such a distance that it takes our steamers probably forty-five days to get here, and in all probability it takes them three to four months to do the round trip. Last month from New Zealand we had one steamer for the whole of the export of our produce from that country. There is a country which is providing a very large number of men in proportion to its population; it is maintaining its reinforcements right up to date, and it is providing a large amount of money locally for war purposes, and we are dependent upon an outlet for the produce of that country to enable us to carry on financially, and if it is suggested now that demobilization is going to have another three months added on to it, that is going very seriously to embarrass the people of New Zealand. I hope that the exigencies of the war, from the point of view of ships, may very soon, if not now, be able to allow a proportion of ships to be built with refrigerated space on board to enable that side of the work to be carried on; otherwise it is going to be very embarrassing. I have little to add to what was said on this matter last year.* That Resolution in a general sense

* P. 7 of Dominions No. 62.

Sir JOSEPH WARD—*cont.*

conveyed as much as the Conference could convey. The coming in of America has made the difficulties greater, and I think that is all the more reason why, apart from the general scheme of demobilization, which appeared to me at the time to be a very good one, and I do not suggest it can be very much advanced now. The question of ships is the key of the whole position, and I do not see how the War Office can say what it is going to do until it is known what ships are to be available.

Mr. LLOYD: What we want is information as to what has actually been done, what principles have been laid down, and what principles must be laid down; and that we have not before us. Apparently there are some principles already laid down, but here is a proposal for an advisory and executive committee; that recommends itself, but still it does not go into the matter of the principles generally of demobilization. We should also know what preliminaries can be taken, what plans have been outlined or can be outlined, and with such information as that before us we shall have something to discuss. Otherwise it seems to me we are doing nothing but wasting our time.

Sir REGINALD BRADE: That was done after the last Conference, I think. We arranged to be in close touch with the representatives of the Dominions in this country, and we had a series of conferences from time to time. These have been in abeyance lately, I understand. However, all the latest information will be readily given, of course.

Mr. MASSEY: I think the setting up of a committee is a good idea, and it ought to be gone on with. As far as we are concerned, we are prepared to submit our representative right away. And the sooner it gets to work the better. The difficulty is that conditions and circumstances are continually changing; things are occurring which were not dreamed of, and could not possibly be anticipated, and a committee such as is suggested here would be better able to meet those difficulties than the members of the Conference themselves—very much better—and it would be of great assistance to the War Office in putting these views before them. I do not know whether we shall get a representative of the Shipping Ministry here.

CHAIRMAN: He will be here in a minute. He is on the way.

Sir ROBERT BORDEN: I should like to submit this draft Resolution to the Minister dealing with the organisation of the Canadian overseas military forces, Sir Edward Kemp, who is not present at the moment. The idea which is expressed in the draft Resolution seems a desirable one. The Resolution does not, however, directly touch in terms the question, which seems to me after all the important question, what ships are to be available, and how they are to be allocated? I hope that in considering the very important question of bringing the British troops back from France, with the kindred question of conveying the troops of the United States back to America as soon as can conveniently be arranged, the importance of the question from our standpoint will not be overlooked. We have had a very large number of men from all the Dominions taken away from their ordinary civil avocations. The problem of dealing with them after they have returned, and establishing them once more in civil life, is a very serious one, and in some of the Dominions no doubt it will be a very difficult problem. The manner of dealing with it will depend to some extent on the expedition with which the troops can be returned. In common with the other Dominions we have in Canada a Minister who devotes his attention to that question. We call him in Canada the Minister of Soldiers' Civil Re-establishment. In addition to that we have already begun the task, about a year ago, among the troops in Great Britain and France, of giving to them, so far as military exigencies will permit, training in various occupations, the occupations which they are likely to take up again, and, generally speaking, education in the broadest acceptance of the term. I have a printed Memorandum as to the proposals which have been embarked upon in respect of the Canadian forces, setting them forth in a general way; and I shall be very glad to furnish that Memorandum to the Government of the United Kingdom, and also to the Ministers from the various Dominions. I should be equally glad if they will be good enough to let us have any information in their possession with regard to the steps which they are taking for the same purpose. I am referring to the utilisation

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of every available effort while these men are overseas to re-educate them and to fit them for the work which they are likely to take up in civil life after the war has come to an end. I do not know whether Sir Reginald Brade can tell us—perhaps he cannot tell us—whether the Ministry of Shipping have made any study of the conditions which are likely to arise. I quite appreciate what he has said as to the impossibility of foreseeing all the contingencies with respect to transportation, but it seems to me that the subject should be studied; perhaps it has been studied, and in so far as the result of that study is available we should like to have it. Indeed, that was the principal purpose that I had in bringing the question to the attention of the Conference to-day.

Sir REGINALD BRADE: I think the Ministry of Shipping will do the best it can. As far as the problem of getting back the Imperial troops from France to this country is concerned, it is a different shipping problem from that of the long distance one. It is not a question of ocean transport.

[Mr. E. J. Foley, Director of Military Sea Transport, Ministry of Shipping, here entered the Conference Room.]

CHAIRMAN: Mr. Foley, who is Director of Military Sea Transport, has come over, and I gather that the main questions upon which the Conference desires to have some information from him upon are, first, has the Ministry of Shipping been able to ascertain what the available amount of shipping will be for demobilization; secondly, what principles have been laid down, if any, as to its allocation; and, thirdly, whether there is any prospect of releasing some of the shipping, which is specially required for the transport of produce, back to its original occupation? Those are the three questions which have been raised.

Mr. FOLEY: As regards the first question of the amount of shipping available on demobilization for repatriating troops, the only answer which the Shipping Controller can give is that he simply does not know what the facts will be when demobilization becomes a practical question, and it is impossible to give you an estimate of what tonnage will be available. As regards the second point—

Mr. LLOYD: Is there any chance of getting the present outlook as to what it will be?

Mr. FOLEY: What is at present being done is this: Each quarter the War Office give us a statement of the numbers of troops in the different theatres of war requiring repatriation to the various Dominions, and we take the tonnage as it is at that moment; these are the only facts we have, and we endeavour to fit those troops to the tonnage and arrive at an estimate of the time which will be taken to repatriate the men of the various Dominions. That is as far as we can get.

Mr. LLOYD: Cannot you give us that?

Mr. FOLEY: We do that quarterly, but, unfortunately, the statement is not ready. We have not the whole of the figures from the War Office. There is a meeting with the War Office to-morrow.

Mr. COOK: That is for the current quarter?

Mr. FOLEY: Yes.

Sir ROBERT BORDEN: It seems to me this might be suggested. If the war ended to-morrow we should know pretty well what shipping would be available for returning the troops to the various Dominions, as well as for bringing back the troops which are in France to the United Kingdom. You might perhaps assume, whether safely or not, that the shipping available at the conclusion of the war will not be less than at the present time. Whether that would be a safe assumption or not I do not know. Perhaps we might consider it safe. Then, if that is so, what allocation could be made of shipping for the purpose of taking back our troops? I thoroughly realise that the question is rendered more difficult by the fact that it cannot at present be perceived what number of troops from the United States will require transportation at the end of the war. That is a quantity which we cannot now estimate.

Mr. COOK: But there is no reason why a table could not be worked out.

Sir ROBERT BORDEN: No, I do not know why some kind of table could not be worked out.

Mr. FOLEY: It is not a question merely of the amount of shipping available: it is a question of its distribution, and at present a good deal of shipping is concentrated in the North Atlantic. Probably some of that could be diverted, but that depends on what the import programme, the cargo programme, at that time may be. The factors are very numerous.

Sir ROBERT BORDEN: Allocation is the main problem, and that is what we want to find out.

Mr. LLOYD: If we have a basis to start with, we know where we are, at all events, at present, and the varying factors can be altered when they come.

Mr. FOLEY: That is what we aimed at in the quarterly allocation, and it is rather a pity we were not able to get the first quarter done before this meeting.

Mr. LLOYD: It would have been helpful, because we could have a basis to start with.

Mr. FOLEY: We drew out some figures a little time ago when we made this proposal for quarterly allocation; we drew out what would be required by the Ministry of Shipping for repatriating the men, dividing the world into zones, and dealing with the tonnage in zones. It would be quite possible to circulate copies of that, but it is rather lengthy to go through at the Conference.

Mr. MASSEY: It would be a good thing to submit to the proposed committee.

Mr. FOLEY: It would give the committee some figures upon which to base its considerations.

Sir JOSEPH WARD: Are the zones irrespective of the number of men who require to go back from the particular zones?

Mr. FOLEY: The number of men in each zone have been put together and against that the tonnage roughly available in that zone.

Mr. MASSEY: Is it intended to allocate ships in proportion to the distance as well as the number of men? That is an exceedingly important point.

Mr. FOLEY: The whole question of allocation depends not only on the repatriation of men, as Sir Robert Borden says, but upon the import programme at the moment—the necessity of importing food, raw materials, and so on.

Mr. MASSEY: I hope an opportunity will be given, Mr. Long, before this Conference breaks up, of our expressing an opinion on what has been going on with regard to the importation of food to Great Britain within the last six months. I am utterly dissatisfied with what has taken place and I consider that the country which Sir Joseph Ward and I represent has been very unfairly treated. I shall not go into details now, but I shall certainly have something to say later on.

Mr. COOK: I should like to suggest very strongly that the Conference should pass this proposal here for a committee, and I think there should be represented on this committee the Ministry of Shipping.

CHAIRMAN: It is proposed to amend the third line by putting in "and the Ministry of Shipping"

Sir ROBERT BORDEN: I should like to defer it until three o'clock so that I can speak to our Ministers about this.

Mr. COOK: I also should like it to be left over.

Mr. LLOYD: When is it likely that you will have that table of information ready for circulation?

Mr. FOLEY: I think you can have it by the end of this week, sir. It will be rough, but it will give certain important data.

CHAIRMAN: You want India put in also.

Sir S. P. SINHA: Please.

[At this point the Conference adjourned and resumed at 3 p.m.]

CHAIRMAN: We adjourned in order that the different Governments should have time to consider the War Office Resolution and discuss it with their colleagues and officials. You have got the Resolution now.

General BURNETT-HITCHCOCK: Yes, I have got it.

Sir ROBERT BORDEN: Are the India Office and the Ministry of Shipping added? We see no objection to this: we think it is a desirable resolution to pass. How many representatives are suggested? One from each Dominion?

Sir REGINALD BRADE: Do you think you want one, or two? You will let us know, of course.

Sir ROBERT BORDEN: I think very likely we shall require two, one of them having some expert knowledge.

Sir REGINALD BRADE: Yes, quite so. We shall have experts from time to time, of course, as special subjects come up, and it might be necessary, and would be necessary to summon specialists from time to time in addition to the members.

Sir ROBERT BORDEN: Yes; we should probably have a standing expert representative, and it might be advisable to have a second representative; if it should be desired that each Dominion should have only one representative, one could act as an adviser or assessor.

Sir REGINALD BRADE: Yes.

CHAIRMAN: Does anybody else wish to ask any questions or make any suggestions before I put the Resolution? Perhaps I had better read the Resolution: "The Conference agrees that an Advisory and Executive Committee—
"to be known as the 'Military Demobilization Committee of the British Empire'—
"should be set up forthwith:—(a) To consist of representatives of the military
"authorities of the Dominions and Colonies, and of representatives of the War
"Office, under the Chairmanship of the Secretary of State for War, or someone
"deputed by him; the secretariat of the Committee to be provided by the Mobiliza-
"tion Directorate for the War Office; (b) To consider all military questions of
"demobilization affecting both the Imperial and the Dominion or Colonial Govern-
"ments"—had it not better be all the Governments, or do you leave out India?

Sir REGINALD BRADE: That is only a matter of drafting. I could make that fit in.

CHAIRMAN: Yes, it is only a matter of drafting—"by:—(i) making decisions
"in regard to matters of details; (ii) submitting questions of principle which may
"arise from time to time to the Government or Governments concerned; (iii)
"arranging for the fullest interchange of information with regard to plans for
"demobilization; (c) To sit, prior to demobilization, at such time as may be
"considered necessary by the Chairman; during demobilization, as frequently as
"may be necessary to secure the complete mutual co-ordination of the Imperial
"and Dominion or Colonial demobilization procedure."

Sir ROBERT BORDEN: I think it would be just as well to put in the word "general" before demobilization, because demobilization as a matter of fact is going on all the time. We have got 40,000 men back. Say in the last paragraph "prior to general demobilization."

CHAIRMAN: Yes, we put in the word "general" in the first line of section (c). Is the Conference prepared to adopt this Resolution as amended?

Mr. COOK: The Ministry of Shipping is in there, is it?

CHAIRMAN: Yes.

The Resolution as amended was carried in the following form:—

The Conference agrees that an advisory and executive committee—to be known as the "Military Demobilization Committee of the British Empire"—should be set up forthwith:—

(a) To consist of representatives of the Military authorities of the Dominions and Colonies, and of representatives of the War Office, India Office, and Ministry of Shipping, under the Chairmanship of the Secretary

CHAIRMAN—*cont.*

of State for War, or some one deputed by him; the secretariat of the Committee to be provided by the Mobilization Directorate of the War Office.

(b) To consider all military questions of demobilization affecting the various Governments concerned by:—

- (i) making decisions in regard to matters of detail;
- (ii) submitting questions of principle which may arise from time to time to the Government or Governments concerned;
- (iii) arranging for the fullest interchange of information with regard to plans for demobilization.

(c) To sit, prior to general demobilization, at such time as may be considered necessary by the Chairman; during demobilization, as frequently as may be necessary to secure the complete mutual co-ordination of the demobilization procedure of the various Governments concerned.

Order of Business.

CHAIRMAN: There is a Committee on Shipping which was fixed for 5 o'clock to-day, but the President of the Board of Trade has to be in the House of Commons, and he asks whether it could be deferred till 10 o'clock on Wednesday at the Board of Trade. I do not know who are members of it.

Mr. MASSEY: My Resolution is part of the business, I think. I have no objection.

CHAIRMAN: Then it will be at 10 o'clock on Wednesday at the Board of Trade.

Petroleum.

Now the next subject is Petroleum, in regard to which there is a Resolution. "The Conference takes note of the Memorandum on the question of Petroleum, and, having regard to the great and growing importance of petroleum and its products for naval, military, and industrial purposes, desires to commend the suggestions contained in the Memorandum to the serious consideration of the Governments concerned." The Memorandum is entitled "Petroleum Position of the British Empire."² It is written by Lord Harcourt, who has been good enough to come, and who is at present presiding over a Committee dealing with the whole future policy in connection with petroleum. He has been good enough to come, and I daresay the Conference would be glad if he would say anything he wishes to say to start with.

LORD HARCOURT: Mr. Long, and gentlemen, I am very much flattered by your kind invitation to attend the Imperial Conference to-day, in which I find myself in familiar surroundings and amongst old friends. I am quite aware, sir, that you have no desire that I should make a speech to you even on the fascinating subject of oil, and I have no intention of doing anything of the kind; but, knowing the great pressure of business which rests upon the members of the Imperial Conference, I think I might perhaps be safe in assuming that you have not all, or possibly any of you, had the time to consider my Memorandum, although it is a short one, which has been placed before the Conference by Mr. Long. And therefore, without detaining you more than a moment or two, I think I could put before you what is the present position of mineral oil, within and without the Empire, and the seriousness of the situation.

There is undoubtedly to-day—well, or there certainly will be in the future—a world scarcity of mineral oil, but there is an Empire scarcity of a very acute kind at this moment, and in the future it will become more acute. The Navies and the Mer-

² See p. 343.

LORD HARCOURT—*cont.*

cantile Marine of the world are turning more and more to oil as their fuel, and if they continue to burn oil as a fuel, instead of using it in internal combustion engines, there will be such a shortage of that fuel in the world, as to bring industry almost to a standstill. It is essential, in my view, that both the Navies and the Mercantile Marine should in future consume oil in internal combustion engines, and not by burning it as a fuel, because by using it in internal combustion engines you can get five times the productivity out of the oil that you can by using it merely as a fuel, as an alternative to coal. The world's production of petroleum to-day is 79½ millions of tons, and of that amount the United States of America produce no less than 45½ million tons, or 64½ per cent. of the whole world production. Russia contributes 13 per cent., and Mexico 11 per cent., and—this is the remarkable and alarming fact—the whole of the British Empire contributes only 2 per cent. of the world's production, and of that four-fifths comes from India.

Gentlemen, it is a serious situation now, and it will become worse in the future. We are dependent to-day on the United States for 80 per cent. of our requirements of oil, and what our position would be if, unhappily, America, instead of being an Ally, had been a strict neutral, withholding oil for war purposes, it is hardly necessary for me to describe. What is necessary, then, for all of us is to develop within the British Dominions, the British Colonies and Protectorates and Dependencies, and in our spheres of influence—and also in Persia and Mesopotamia, which I suppose, at the moment, could hardly be described in any of those categories—as much oil as we can get. Mr. Long and the Colonial Office are already at work on this matter in the Crown Colonies. Egypt is developing very well—surprisingly well during recent months, and there is, I believe, a fair promise of good oil in Somaliland. But we want larger production and greater and new oil fields everywhere throughout the Empire. We want the Dominions especially to encourage prospecting for oil, but to encourage prospecting by the right people, and, if necessary, after the discovery of the oil, to take Government control of the licences issued for that purpose. Canada produced only 27,000 tons of oil in 1917 a decreasing production, unfortunately, because it was as high as 72,000 tons in the year 1908. Ontario, which used to be the main source, is giving a diminishing supply now, but Alberta is progressing and deserves, I think, further investigation. In British Columbia there are good indications, and also amongst the sands on the eastern slopes of the Rockies and on the Alaska and Macaskie Rivers. It is believed by those who know the circumstances that Canada might become the great Imperial oil field of the future.

In Newfoundland there is some shale at Deer Lake which seems to be worthy of further exploration. In Australia, unfortunately, there is only a small production at present, but fair prospects. A Commonwealth Committee of last year, 1917, reported that an investigation of well oil throughout Australia should be made, and that the shale deposits should be developed without delay. Shale production in New South Wales has been decreased. It was 17,000 tons in 1916 as against 86,000 tons in 1912. You can take it generally that a ton of shale will produce, according to its richness, from 33 to 66 gallons of oil.

Mr. COOK: Will you give me those figures again?

LORD HARCOURT: The production in New South Wales in 1916 was 17,000 tons, and in 1912 it was 86,000 tons. That is, of shale unconverted. I think the oil value of shale in New South Wales is higher than in Canada. I think it has been put as high as 66 gallons per ton of shale converted, but those figures are only in my head, and are subject to correction, though I believe they are accurate. Tasmania has great potentialities for oil, and there are indications in British New Guinea which are well worth pursuing. In New Zealand there is very little production, but some promise, especially in the neighbourhood of New Plymouth, but I am afraid the oil is at a very great depth, over 3,000 feet; and there are also prospects on the neighbouring Sugarloaf Islands. In the Union of South Africa, at Port Elizabeth, there is a geological formation which is said to be similar to that of the Caucasus Belt, with indications of rich petroleum beds there.³

LORD HARCOURT—*cont.*

Well, that is a general indication of what there is of oil in the Self-governing Dominions of the Empire. The Empire needs to-day, I am quite sure we all feel, more prospecting, even if it is necessary to encourage it by a subsidy given either by the Dominion or by the State or Provincial Government. I have not dealt to-day with oil outside the five Self-governing Dominions. There is prospecting and great development in other parts, and in Africa too, but I purposely, as this is the Imperial Conference, devoted myself only to the five Self-governing Dominions.

Sir ROBERT BORDEN: Is there any production in India?

LORD HARCOURT: There is a very large production in Burma and in India. British India produces 1,133,000 tons of oil, or 1.60 per cent. of the world production, but British India constitutes four-fifths of the total Empire production which we have at present. Besides the prospecting, of course, we want eventually more production, and that to be followed, wherever possible—and it is very essential—by Imperial control. How you are to obtain that control is a legal question of some difficulty. If future licences to prospect, and to bore, and to get, and to refine, and to sell oil were given only to British subjects and British companies, that result might probably be obtained; but you still have the problem of how you are to keep those companies British all the time, which is not so easy. One method might be by the Dominion Government having holdings in those companies, as the British Government has in the Anglo-Persian Company, a majority holding. Another possibility is voting trusts under Government direction, but there is always the snare and the danger of bearer shares. You do not know in whose hands they are; but there is also a method of dealing with those in the Articles of Association of new companies, by which bearer shares should carry with them no voting powers. And there is a fourth expedient, of imposing export duties upon oil, in order to control its eventual destination, and in order to keep it within the Empire. All those matters, of course, must be left for your own judgment, and to the ingenuity of your jurists. But I want to say to you again, from my experience of the Committee of which Mr. Long has appointed me Chairman, that the vital necessity of to-day is more oil within the Empire and the Imperial control of that oil wherever it is found.

CHAIRMAN: Lord Harcourt will be very glad to answer any questions, and we also have Sir John Cadman here, who is the head of the Oil Executive Department created since the war, and any questions connected with his Department he will be prepared to answer.

Sir ROBERT BORDEN: The supply of oil is particularly essential for naval purposes, I suppose?

LORD HARCOURT: Very essential for naval purposes. The Navy had been burning more oil shortly before the war, and I think it has been burning a far larger quantity during the war, and the consumption is very great. And the Mercantile Marines of the world are burning oil also. But unfortunately both the Navy and the Mercantile Marine are turning to it as a fuel and not for internal combustion purposes, and therefore are consuming, as I have said, five times the amount of oil that would be necessary with internal combustion.

Sir JOHN CADMAN: It may interest the Conference to know that just under one-tenth of the world's production of oil is being used for war purposes by the Allies in Europe alone to-day.

Sir JOSEPH WARD: On land and on sea?

Sir JOHN CADMAN: Yes.

Mr. ROWELL: How are the other nine-tenths distributed?

Sir JOHN CADMAN: Consumed chiefly within the zone of production.

CHAIRMAN: Of course, the consumption of spirit for aviation has increased enormously, and we have a difficulty there in this fact—that the variations of the atmosphere have an extraordinary effect upon the amount of flying and spirit consumption, to such an extent that occasionally the estimates made by the Air Ministry for their consumption, on which we have to work, vary, as compared with the actual consumption, by about 60 per cent.; and I am told it is very largely caused by the weather. But the result is that our consumption since the Oil Executive was established, which was about 14 months ago—the consumption of oil spirit has been enormously increased. I do not know what the figure is during the 12 months or six months, but it is tremendous.

Sir JOHN CADMAN: About 25 per cent.

CHAIRMAN: Although as regards petrol we have cut down the consumption of petrol for civilian purposes in this country to the narrowest possible limit.

Mr. MASSEY: Can Lord Harcourt tell us whether the Standard Oil Company have acquired properties within the British Empire?

LORD HARCOURT: I do not know. I have not the absolute knowledge, but I believe that the Standard Oil Company controls some of the companies which are operating in Canada. I should not say controls, but it has a supreme share in them, possibly amounting to control.

Sir ROBERT BORDEN: Absolute control.

LORD HARCOURT: The Imperial Oil Company.

Sir ROBERT BORDEN: I mean as far as Ontario is concerned; but it is not true as regards Alberta.

LORD HARCOURT: No.

Sir ROBERT BORDEN: The Imperial Oil Company is organised in Ontario and is subject to Ontario laws.

LORD HARCOURT: It is difficult to obtain or regain the control in some cases of companies which have lost it already, but it is not difficult, or not so difficult, to provide that future companies created shall be under British Dominion control.

Mr. MONTAGU: In India, Mr. Long, I think we have already carried out everything that Lord Harcourt has suggested this afternoon, and under the Mining Rules, 1913, no prospecting licence or mining lease can be granted except to a British subject or a British controlled company; and transfers are prevented without the sanction of the Government, which can be withheld if the transfer infringes the vital principle of British control. Further, the Government has the power of taking over all the oil-producing concerns of the country in case of emergency or of war, and the Government can decide what it considers to be an emergency. I have here a copy of the model agreement used in the case of concessions of what are called preserved minerals, which I understand include oil and apply to all minerals except things like limestone and slate, for which no licences are required, a copy of the model form of concession, and a model of the prospecting licence. So I think that so far as India is concerned we have nothing but approval of this memorandum. I shall be glad to circulate copies of these model forms if they will be of interest to the Conference.

Mr. MASSEY: Mr. Long, I think it is a splendid thing that in this connection India has given a lead to the Empire, and I think we should express our appreciation, though I do not go the length of saying there should be a Resolution. Lord Harcourt has given us so much information that I have no questions to ask; but he has undoubtedly disclosed a very serious state of affairs so far as the Empire is concerned. It would be an exceedingly serious thing if the oil within the Empire became scarcer than at the present time. I hope this will not be the case, and I hope that following up what has been suggested to-day something will be done by the Governments of the Dominions to encourage prospecting for oil.

I am afraid we cannot promise to do very much in New Zealand. We have been boring for oil for some considerable time; considerable private capital has been expended for that purpose, and the Government has helped to some extent. I am not prepared to say how much the Government has contributed, probably 10,000*l.* to

Mr. MASSEY—*cont.*

15,000*l.*, to assist in boring at New Plymouth, where one bore promised very well for a long time. We offered a bonus for the first million gallons of oil produced, and one company was able to claim the bonus; it produced the million gallons and got the bonus, but I am sorry to say the output of oil has not been increased—in fact it is rather going off at present. The geologists tell us the country is too broken to produce much oil, at all events in the locality in which New Plymouth is situated. There are several oil wells at New Plymouth, and I do not think any one of them has paid its way, though bores have been in some cases put down to a great depth: in one case I think the bore is down 5,000 feet and they are not getting as much oil now as they did at 3,000 feet. Another bore was at 4,000 feet and others less than that; but, as I say, most of the oil which comes to the surface is from 3,000 feet.

There are also shale deposits in New Zealand, as to which experts have expressed the opinion that they will produce oil if treated in the ordinary way for the purpose. On that point I am not able to express a personal opinion; I have not seen the deposits, although they have been referred to time after time in the Parliament of the country, and at one time I believe it was intended to commence the manufacture of kerosene.

LORD HARCOURT: Is that in Southland county?

Mr. MASSEY: Yes. The project dropped, and I do not know whether there is any intention to revive it. Possibly something can be done by means of a Government bonus. I think it is the duty of the Governments in the Dominions to do all they possibly can to discover oil. Apart altogether from the requirements of the Navy, and war purposes, we require oil for many of our industries,—industries which could not be carried on unless oil was available and at a moderate price. I think the suggestion is a good one, that if oil is discovered it should be owned only by British subjects. I think that is one of the exceedingly important articles of which ownership should not pass out of the Empire. So long as the ownership remains in our own people we can control it, but if it passes into the hands of foreigners, even though friendly, it is a very, very difficult thing to do. I am very glad this matter has come before the Conference, and I feel certain that each and every one of us will endeavour to impress its importance upon the people whom we represent.

Mr. COOK: Mr. Long, I have listened to Lord Harcourt's statement with very great interest, more particularly as it relates to Australian possibilities. I know a good deal about that field to which he alluded; I live close by, and I can tell him why that reduction took place. It is one of those concerns in which a big British interest wastes its money, sinks its capital, and gets very little for it. And the reason for that reduction of which he speaks is that for some time they had practically to go out of business. They have since written down the capital and made a fresh start, and the Federal Government has given them a very substantial bonus to begin operations again. We are to-day paying them a bonus of 2*d.* per gallon on all shale oil produced, with a view to stimulating the industry into activity again, and we are hoping that they will soon get back to the old condition of things.

LORD HARCOURT: Is that the Commonwealth Corporation or the British Australian Oil Company?

Mr. COOK: Commonwealth Oil. It is a very unfortunate affair altogether. We need not go into the history of it, but altogether we are making a determined effort to get the thing back again to a commercial condition, and I believe the amount of subsidy which we have already granted to that company amounts to about £25,000 or £40,000.

As to the question of extraction of oils from shale, if that is what the British Government is after, I can tell them that there are millions upon millions of tons of shale in Australia only wanting the necessary financial assistance to produce oil in almost any quantity that is desired. Reference has been made to that deposit of shale in Tasmania. There is a very, very large deposit there, and the Tasmanian people are most anxious to develop it, but they have not the capital to do it on a large scale. There have been many negotiations going on from time to time between the Tasmanian Government and the Federal Government. They wanted us to give them a guarantee as to output, which we were not able to do. Our requirements there are

Mr. COOK—*cont.*

more or less limited, although I should say here that our own Navy oil bill is now a quarter of a million a year, and it was with the view of developing this company of which I have spoken, and stimulating it back to prosperity again, that we gave them that bonus. But there are still these fields in Tasmania to be exploited, and I am afraid if they are to be exploited, those who want the oil specially will have to come to the rescue. In addition to paying these large subventions to this company, we have been for the last five or six years carrying on boring operations in British New Guinea. We know the oil is there. We have not yet got it in commercial quantities. We had Dr. Wade superintending operations there, and I may say that four years ago, when I was Prime Minister in Australia, I was considering very seriously a proposition of this kind—that we should divide the area which we believed to be oil-bearing, giving the private company, which I believe is a British company, a concession of half the area, and exploiting the other part ourselves, so bringing the two into competition. In that way I hoped it would have a very good effect. However, politicians propose and the people dispose, and nothing has come of it.

The whole of that oil-bearing strata is still under control by the Commonwealth Government, and if the Imperial Government is interested, I strongly suggest that they should come and have a look at it and give us some help to accelerate exploitation. The field is there, we are spending a lot of money there every year in boring, and we are going on spending it for long periods. If this is to be considered as an Imperial question, as I think there can be no doubt it should be, all I have to say to the Imperial Government is, Come along, give us financial assistance and scientific help, and let us accelerate the whole process. The oil is there, we believe. We are doing something at present which is very substantial, and believing as I do—indeed as I know—it is not a matter of belief—that there are plenty of possibilities in Australia, both as to well oil and shale oil, I strongly suggest to Lord Harcourt that he should look further into this matter, and see if he cannot get the Imperial Government to give us some financial help and scientific knowledge to develop these fields.

As to the Tasmanian fields, what they want is a guarantee that their product will be taken. The Tasmanian Government will provide the capital if you can guarantee them for some years the prospect of their product being taken at a proper price. We have taken on just now this other concession, and we cannot do the two. There is the shale—mountains of it—millions of tons of it—and it only wants getting out and converting into oil; and I strongly suggest that Lord Harcourt should turn his attention in that direction. There, and in New Guinea, and at another place in New South Wales called Murrumbidgee, there are well-known deposits of shale of good oil-bearing capacity, and they only need exploiting; so that if the Empire is so hard up for oil as all that, the oil is there, and it only wants getting out. We are doing what we can. I do not think we can promise to spend very much more money than we are doing; it is already costing us a great amount, but the possibilities are there.

And there are other possibilities too, down there. For instance, at Timor, in the Portuguese territory, it is well known, I think, that that contains a great deal of oil-bearing country. The Portuguese have had it for some hundreds of years now, and have done nothing with it. My own impression is, that the Imperial Government, if they went the right way about it, could get a pretty substantial concession there, for very little, and if they do not get it, if we do not get it, somebody is bound to get it in the long run, and it is likely to fall into the hands, I should think, of some of these big oil monopolists, and I strongly suggest that Lord Harcourt should look into that proposition, and see if it is possible to get a concession from the Portuguese Government, and set about developing the field scientifically. And then there is the Dutch East Indies, generally. I have here a Memorandum which was supplied to us some time ago. Perhaps I had better read it:

"(1) While the Dutch East Indies are of great importance to Australia, from a strategic point of view, owing to their situation across our line of communication with China and Japan, and on the flank of our line of communication with Egypt and India, this importance is enhanced by the fact that they form also one of the great oil-producing areas of the world.

Mr. COOK—*cont.*

"(2) In 1915, their production ranked fourth among the world's oil-fields, only being exceeded by that of the United States, Russia, and Mexico, and being four times that of Japan.

"(3) The possession, or even the economic control, of these islands would make a possible enemy of the Commonwealth independent of other sources of oil-fuel, and would at the same time deprive the Commonwealth of its quickest—and very important—source of supply. The possibility of developing at an early date, the substitute source of supply in British Papua must also be considered, but it is unlikely that any developments in British territory will replace the Dutch oil-fields so far as the Australian trade is concerned, for some years to come.

"(4) Moreover, the Dutch fields are capable of much greater development. In the month of February alone, five new concessions were granted to existing Dutch companies, one in North-Western Sumatra, three in the Palembang district of South-Eastern Sumatra, and one in South-Eastern Borneo. This last-mentioned district is being carefully studied at present, and proposals for a railway from Banjermassin to Balikpapan, with branches tapping the ranges between them, are already under way.

"(5) It may further be noted that Japan (which still seems to import 25 per cent. of the oil she needs) is looking abroad for fields to work. Late in 1916, it was reported that Japanese companies were securing the right to sink wells in the rich areas of Russian Saghalien, and more recently Japanese agents are known to have visited Timor, seeking information about oil-fields there."

It is well known that Japanese agents have visited Timor, and I think altogether it is a field which needs a good deal of further exploitation. As to Timor, I suggest strongly that you should try and get a concession from the Portuguese Government and exploit the field thoroughly; and as to these other shale deposits in Australia, if you can give us any help, there is no doubt whatever that the oil is there.

LORD HARCOURT: I should like to say that one British Company is already in negotiation for the concession of oil in Timor. As to the Dutch Indies, of course the production there is dealt with by the Royal Dutch Combine, which is a very powerful combine and is already developing a very large quantity of oil.

Mr. COOK: Who is negotiating for this concession in Timor?

LORD HARCOURT: I cannot say, except that it is a British Company.

Mr. COOK: Why wait for a company to do it? Why do not the Government get in themselves? It is a matter which concerns the Navy so vitally that one wonders why they do not go into it themselves.

LORD HARCOURT: The British Government have never gone into the oil business themselves, though they have effected control over one of the companies which has been doing this business.

Mr. COOK: I have no objection to looking kindly on private enterprise—in fact, I think private enterprise is more likely to succeed than Government enterprise, but it seems to me this matter is so vital that it wants a combination of both. Take these deposits I speak of in Australia. All they want is a guarantee that their output will be taken, and if the British Government to-day will give a guarantee of that kind, those fields will be developed at once. It is because we cannot give them a guarantee as a Federal Government that they are not being exploited to-day. The last thing that Mr. Lee, Premier of Tasmania, came over to consult us about was the very question of opening up these shale properties. The State Government, the Tasmanian Government, will provide the capital necessary to do it, but it is no good their doing that unless there is a guarantee of continuity in taking the oil. I suggest that the Government should take this question of Australian oil up.

CHAIRMAN: Take it up themselves?

Mr. COOK: Yes. I quite think the proper thing would be to send out competent authorities to look over these propositions, with some sort of plenary power to make some commercial arrangements about them. That is all they are waiting for.

Sir ROBERT BORDEN: I should explain that as far back as 1913, when the possibilities of a large oil production in Alberta were first brought to public attention, the British Government communicated with us through the Admiralty, and we passed certain regulations, the exact purport of which I do not recall, but which had the effect of giving to the Government of Canada complete control of the output in case of any emergency or in case of war. So I think the position in our country is very satisfactory, so far as any new discoveries are concerned.

LORD HARCOURT: That is control in case of emergency of war.

Sir ROBERT BORDEN: Yes, I think so. I have not a copy of the Order before me, but that is my recollection. It may go further than that; I am not quite sure.

Sir JOSEPH WARD: Mr. Long, this matter is a very important one, and I want to say a few words concerning it. The proposal, or the recommendation, made here, suggesting that there should be licences for prospecting and boring, and making all Crown land subject to a Government licence, is a very good one, and I think can be very easily put into operation. But I want to point out to Lord Harcourt, who is taking special interest in this matter, what arose in New Zealand several years ago in connection with an effort made to keep oil borings within that country in the general interest of the British Empire. When it was believed they were going to be successful, representatives of the great oil concerns in the United States of America came down to New Zealand and got options from men who could not carry them on. Now assuming the licence was put into operation, and that those oil wells were not to be worked by foreigners, all that those people who had given the option to the United States explorers would have required to do was to have formed a local oil company and to work for them, then they would not be foreigners. I foresee that is one of the great troubles in connection with this matter, and I am of the opinion that while it looks the proper thing to do, and I think would be done very readily by any of the countries that want to protect the oil interest, I am afraid in practice it would be defeated. That is my opinion.

I hold a view similar to Mr. Cook; I do not believe that in the oversea countries we should ask the British Government to provide the capital to work our oil fields at all, either shale fields or liquid, but I do believe if there was some way by which the output could be assured to those who put their money into it, that they would then go to work, and the output could be used within the British Empire.

I will give an illustration of what is in my mind on that point. There is a company in New Zealand, in Southland, which owns machinery and everything in connection with the working of shale. It is an English company; the men live somewhere in the vicinity of Hull, and there is no New Zealand money in it at all. They provided something over 100,000*l.* for working shale there some years ago, and there was every prospect of success; but as soon as they got well under way, and were producing oil and accessories, the American company came down to New Zealand and lowered the price of oil so as to make it unpayable. Now those people kept their works in perfect order for a period of years, though they were not using them at all. That is English capital—all of private people—capital invested in that particular concern with the idea of using it from a commercial standpoint, and of making a profit for the company, no doubt. Certain oil experts from this country went out on their behalf, and the firm of Johnson and Company, I think, of Glasgow, examined into the shale works there and the shale supplies, of which, as in Mr. Cook's place in Australia, there are millions of tons available—shale of a very high quality indeed. The report upon the examination of fifty or one hundred tons of that shale sent to England by those people said it was the highest oil-producing shale in the world. There is at all events a place where apparently shale could be worked profitably, but for the power of the oil concerns in the United States of America, who, immediately that got under way, and these people worked it, lowered the price so as to beat them out of competing with them in any portion of the

Sir JOSEPH WARD—*cont.*

country. Now what is the position to-day? In New Zealand to-day the ordinary person is paying 3s 6d. a gallon for petrol—that was the price when we left New Zealand. As a matter of fact, there is an oversupply of petrol in New Zealand, notwithstanding the shipping shortage. When we left New Zealand there was no such thing as restriction of petrol; it was not required to be done, but the price was at the rate I have stated, and everybody who wanted to buy the oil had to pay that price. There is the fact remaining, according to this Memorandum, that of the oil used in the British Empire, 80 per cent. comes from the United States, and they have 65 per cent. of the world's supply, and as a matter of fact to-day they are controlling the price to the people in New Zealand; there is plenty of oil out there, and the people in England who own it cannot work the local product.

It is very hard to say at all what will occur in those districts where they have been boring for liquid oil for a considerable period. Many believe it is going to be successful, but here is an aspect of the matter which I want to call attention to. I am not quite sure of the exact facts—I speak entirely from memory, but I understand you have a petrol tax in England.

LORD HARCOURT: Sixpence a gallon.

Sir JOSEPH WARD: Well, I want to direct attention to that aspect of it, as to how it strikes me. If there be anything in the proposal to increase the production of oil in the British Empire, it is to make us independent of countries outside the British Empire, and if the heart of the British Empire is going to impose a tax upon petrol, as it is doing, surely it will help the people who are our opponents outside the British Empire to keep up the price against us; and with this 80 per cent. coming from the United States, it seems to be an impossibility to stop them by taxation; neither do I think it would be a very friendly thing to do to the United States.

LORD HARCOURT: The tax is not a tax on the import, but a tax on the use of it—the licence which you receive from the Government.

Sir JOSEPH WARD: Well, the point is, Lord Harcourt, if there is a tax of 6d. a gallon here upon an article which is used very largely now for practical purposes and not alone for pleasure purposes, although a percentage of it is used for that—but if there is an article upon which 6d. per gallon is imposed for the purposes of local taxation, it seems to me—I may be wrong—that must have the effect of pushing up the value of an article which is now used far more for business than private purposes. As to the Navy, I suppose there is no tax for that, but it looks like crippling the very thing which we are trying to improve within the British Empire itself. All I want to say about it is this. I do not believe that we can for some years to come get anything like even semi-independence of the British Empire in the production of oil; but I do believe that with the shale that is available in Australia and New Zealand, if there was a reasonable price for their output—well certainly as to New Zealand I feel perfectly confident—the people who own those works would start them immediately, and as a matter of fact they can pipe from those works right down to a deep-sea port and put the oil right on board the steamer and save all transport charges. The fact of the matter is that at present we are under the grip of huge monopolies in connection with oil. I am not sure that there are not some even in the British Empire—I think there are—but certainly we are under the grip of monopolists in the United States of America in connection with this oil who are making enormous profits in New Zealand and elsewhere. Before the war the highest price charged in New Zealand was, I think, 10d. a gallon, and now it is 3s. 6d. a gallon, and there is no such thing as a shortage there of any sort or kind to warrant the price going up; there are no war conditions in New Zealand to put it up. The fact remains that it paid them originally to sell at 10d. per gallon and they could make a profit, and it is quite obvious that if they are to-day selling at 3s. 6d. a gallon they are making an extortionate profit. It looks to me, apart from the recommendation which is referred to here, that if there could be some reasonable arrangement made by which the output of any of the oilfields or shalefields within the British Empire could be taken at a fixed price, then I think you would go some distance towards getting an active competitor against these people who control 80 per cent. of the

Sir JOSEPH WARD—*cont.*

world's output, and certainly you would get a diminution in the price charged, in England and in the oversea countries, for an article used for general purposes as well as pleasure purposes.

Mr. ROWELL: I understand Lord Harcourt to say that he has in view the question of the oil supply of the Empire not only in time of war but in time of peace.

LORD HARCOURT: Especially in time of peace.

Mr. ROWELL: There are one or two practical aspects of the question as it affects Canada to which I should like to draw Lord Harcourt's attention. In five Provinces of Canada the lands and all mineral rights, including oil, are under the control of the Provinces. In four of the Provinces they are still under the control of the Federal Government. In my Province, Ontario, and in others, the oil business is controlled by the Standard Oil Company through the Imperial Oil Company, which latter has the control of most of the oil wells in Ontario. The practical question would immediately arise,—a man applies to the Government of Ontario for a licence to prospect for oil. There are lands where oil may be found. A man succeeds in finding oil, but that oil is only of value to him as he can develop it and find a market. The Standard Oil Company is so influential and dominating a factor in the oil situation on the continent of America that, if they desired to do so, they could force him to sell to them if he has no alternative market; and that would apply to oil in any part of Canada if the Standard Oil Company chose to exert its powers. There are other Provinces where the land is controlled by the Federal Government. Now, if a man wished to develop his property, and dispose of the oil, is there any practical method by which the market could be assured to him, particularly in the case of developing substantial oil propositions in the newer portions of Canada? Otherwise if there is no—

Mr. HUGHES: Have you shale deposits in Canada?

Sir ROBERT BORDEN: There are some in the eastern Provinces.

Mr. HUGHES: Are you working them?

Sir ROBERT BORDEN: I think they are being worked to some extent.

Mr. ROWELL: I am more familiar with the conditions where you bore for the oil in wells. We have wells in Ontario and Alberta.

LORD HARCOURT: There are, of course, other interests on the continent of America which are not controlled by the Standard Oil Company, and which are indeed opposed to it. There is a very large American interest which is known as the Doheny, who control a large quantity of oil, and there are the British interests in Mexico, the Mexican Eagle, and the Royal Dutch-Shell Company's interest in Mexico. They are large competitors of the Standard, and I should think, though I do not profess to know anything about oil companies, there are large interests which might be willing to take up the thing, especially in competition with the Standard. That would be my general answer, though I confess I do not know much about oil companies.

Mr. ROWELL: As it now stands the Standard is on the ground, and is the first there to take advantage of any new development. Others probably would have to be encouraged to come in.

Sir JOSEPH WARD: Lord Harcourt, could you tell the Conference whether there has been any result from the efforts to substitute alcohol for motor-cars?

LORD HARCOURT: I do not think so. I was interested, when I was Colonial Secretary myself, in the possible development of crude alcohol, especially in tropical Colonies, for use in motor traction; I had a good many experiments made, and I found that there was one other person who was experimenting in the world on the same lines, and that was the Kaiser. For the tropical Colonies it was very important; petrol was extraordinarily costly to take up to Central Africa, but it was easy to produce crude alcohol. But I found that while you could work slow traction and ploughs fairly well with alcohol, you did not get rapid transport with the alcohol.

Mr. HUGHES: Was it something to do with the carburettor?

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LORD HARCOURT: It seems to be inherent in the machine. I consulted Mr. Edge, and he stated he thought it could be overcome if there was a large enough market for alcohol cars for the tropical Colonies. There is this danger, which you must never forget in such an industry in the tropical countries—that unless you are able to de-nature the alcohol and make it unpotable, you will destroy those Colonies and destroy the population. If you have a lot of cheap alcohol which the natives can get hold of they will drink it. We were able to produce nothing which was sufficiently horrible to prevent the natives from lapping it down, so you must de-nature the alcohol.

Sir JOSEPH WARD: Did they drink it?

LORD HARCOURT: Yes.

Sir JOSEPH WARD: How would it do to put a little poison into it?

Mr. HUGHES: Did you ascertain from any of the scientists what their opinion was as to the supply of petroleum? Is it unlimited? Supposing we go on relying more and more on oil as fuel and less on coal, is there an unlimited supply of petroleum, or will the wells give out?

LORD HARCOURT: I do not think any scientist could tell you that. The petroleum of the world is so insufficiently explored, and even if they knew the fields of petroleum, I do not know that it would make much difference. Our experience of the prophecies of scientists about the exhaustion of coal in this country is that they have varied between exhaustion in fifty years and exhaustion in a thousand years, so that if you employ a sufficient number of scientists you obtain results which are totally misleading.

Mr. HUGHES: Looking at this thing from the point of view of your statement of the data, is the position that we only produce 2 per cent. of what the Empire consumes, or of what Britain consumes?

LORD HARCOURT: We produce 2 per cent. only of the world's production.

Mr. HUGHES: How much of our own consumption do we produce? What is our proportion of the world's consumption?

Sir JOHN CADMAN: For Europe it is roughly just under one-tenth of the world's consumption—that is, of the Allies fighting in the war—the oil that is imported to Europe.

Mr. HUGHES: I want to be clear. Is it that the European Allies consume one-tenth of the whole petrol production of the world?

Sir JOHN CADMAN: Of petroleum—just under one-tenth of the world's production of petroleum.

Mr. HUGHES: Where is the major portion consumed—in the United States?

Sir JOHN CADMAN: It is consumed round where it is produced. India consumes practically her own production. America, of course, consumes a lot, and at the moment the policy is to carry the oil from the point of production to the nearest market.

Mr. HUGHES: I do not know anything about it, but it is extraordinary that countries like Britain, France, Russia, and Italy only consume about one-tenth of the whole of the petroleum products of the world.

Sir JOHN CADMAN: That is it.

LORD HARCOURT: Do you include Russia?

Sir JOHN CADMAN: No; that is what is being used by the Allies to-day.

Sir ROBERT BORDEN: For war purposes and peace purposes?

CHAIRMAN: War purposes.

Sir JOHN CADMAN: War purposes, and the quantity is limited by tonnage.

LORD HARCOURT: There is very little consumption to-day except for war purposes.

Mr. HUGHES: 65 per cent. of the world's production is in American hands, so it says here. Where does that go to? Is it consumed at home, the greater portion of it?

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Sir JOHN CADMAN: The greater portion of it, yes.

Mr. HUGHES: I should like to have this thing verified. It seems most extraordinary if it is the fact that 100 millions of people in America are consuming, say, six times as much as the 200 millions—or there are more than that; 180 millions in Russia, 45 millions in Great Britain, 40 millions in France, and 30 millions odd in Italy. America is consuming six times as much as a population two-and-a-half times her own.

LORD HARCOURT: You must remember that in those countries where petroleum is found industry has gone on a petroleum basis to a far larger extent than in countries which have to import petroleum.

Mr. COOK: And consumption is limited by capacity to get it over

Mr. HUGHES: That does not apply to Europe, because you can get it from Russia.

LORD HARCOURT: We have not got it for four years during the war.

Mr. HUGHES: I assume this is peace and war.

LORD HARCOURT: Those are war figures only.

Mr. HUGHES: Was it true before the war?

Sir JOHN CADMAN: The quantity consumed by Great Britain was much less before the war.

Mr. HUGHES: I do not think we have the problem stated yet in such a way that we can deal with it effectively. No one tells us how much Britain wants, or how much the Empire as a whole produces or could produce, and how much it wants. We are told that there is 65 per cent. in American hands, and 18 per cent. comes from Russia and 11 per cent. from Mexico.

Sir JOHN CADMAN: May I state the case? At the present time Great Britain is using at the rate of over 6,000,000 tons per annum.

Sir ROBERT BORDEN: What is the world's production—70,000,000?

Sir JOHN CADMAN: Yes, about 70,000,000.

Sir ROBERT BORDEN: Britain is using 6,500,000 out of a total world's production of 70,000,000?

Sir JOHN CADMAN: Yes.

Sir ROBERT BORDEN: Can we get some information from you as you go along without interrupting you too much? What is Britain's war consumption?

Sir JOHN CADMAN: At the outbreak of war it was between 2,000,000 and 3,000,000 tons; now it is six and a half millions.

Sir ROBERT BORDEN: Out of the total production of the world of 70,000,000, which was the same then as now.

Sir JOHN CADMAN: Yes. I want to show that at the present time the consumption of oil in this country is over 6,000,000 tons. The amount actually produced in this country is only about 200,000 tons—from shales. A certain proportion of oil is obtained from tars from coal, which brings that 200,000 up to 600,000 tons. Our internal capacity to carry on our own work during war is only 600,000 tons, and we require 6,500,000.

Mr. HUGHES: 6,500,000 now, and 3,000,000 in ordinary, normal times.

LORD HARCOURT: The 3,000,000 tons is what we consumed before the war but it will not be possible to go back to the 3,000,000 tons after the war, because ships built for the Navy during the war have gone in so largely for oil, and so have ships built for the Mercantile Marine.

Mr. HUGHES: We ought to have the figures we will have to deal with. The pre-war figure is only useful to us if it is an indication of what the post-war conditions will be.

Sir JOHN CADMAN: We have not attempted here to put out peace conditions, because it would involve bringing in the consumption of all the self-governing Dominions, India, and the Colonies, and that is a separate thing altogether.

Mr. HUGHES: I thought we were talking of Britain now.

Sir ROBERT BORDEN: We are talking about Britain, but the subject came up in this way—that Lord Harcourt invited the Dominions to encourage oil production as far as possible, and it is very important to know what Britain needs.

Mr. HUGHES: I want to know what Britain wants after the war. Suppose she wants 4,500,000 tons, for instance, instead of 3,000,000 tons.

Mr. LLOYD: Can you give us the production of the Empire, and also what is exported from other parts of the Empire, excluding the British Isles?

Sir JOHN CADMAN: I can give you a statement of all these details, but may I first clear up a couple of points which have been raised here—that is, the difference between oil from shale and natural petroleum which is drilled for. Oil obtained from shale requires very large capital, it requires a great deal of labour. Take, for example, the Scotch shale industry, which is one of the few shale industries in the world which is operated successfully, and only 20 gallons to the ton of shale is obtained. The shale has to be mined, and there is a valley filled with plant and materials for producing oil. Compare that for a moment with, say, Egypt, which is producing something like 2,000 tons a day from a mere half-dozen wells. Or take Persia, which is producing over 1,000 tons a day from three wells without any labour at all; holes are put down, a tap is turned, and the oil runs out. If I may be allowed to make a suggestion, it is this—that the Dominions should investigate very carefully the possibilities of obtaining oil, first naturally, and secondly, from shale. They will each have their particular sphere of usefulness, and it is a matter which is dependent on the price and cost of production. I have myself kept as far as possible in close touch with the very excellent work which has been done by the geologists in the various Dominions, and if I may venture to make a suggestion it is that this oil question is developing so rapidly that what is true to-day is not true to-morrow; it is a new science, the search for oil; and I suggest that there should be some means of getting closer co-operation between the Geological Departments, so as to place the Governments in a position to know what they are dealing with, instead of having to bargain with prospectors without first-hand, up-to-date information.

Mr. HUGHES: Do you think there is any means by which oil produced from shale can compete against Standard Oil products? The suggestion has been made, and we do it to some extent in our own country. Mr. Cook has already dealt with the question. We have some very fine shale beds, and if anybody can make shale pay, we ought to be able to do it, but we cannot make it pay without a bonus, and we have given 2d. a gallon; and the proprietor is a very energetic man. Millions of investors' money has been spent in this business—millions—and the water has been skimmed off, skimmed off, skimmed off, and on the bedrock capital he cannot make it pay. He proposes to take it out naturally by running a pipe to the sea, and dealing with it in that way, and if that were possible, he might be able to produce shale oil at a minimum; but in the meantime he has to haul it 120 miles, of which the first few miles are very bad. I do not think there is any means at our disposal by which we can hope to make shale pay against natural oil, but all the same in a country like ours we must go on with the shale we have—and the same applies to Britain. But we can never hope to land the shale here and, under any devisable system, compete here with natural oil; the Government could not afford to pay the price, nobody could pay the price of Australian oil landed in Britain. But still, the question for the consideration of the various Dominions and for Britain is this—that whatever deposits of shale we have we ought to develop; that is clear; it is a second string to our bow. Mr. Cook has told you what we are doing with regard to boring for oil, and the oil we get is all right; you can see it sweating up on the tools, and no doubt eventually we shall strike the rivers, or the wells. It is said there is oil in the middle of Australia; I do not know if that is so, but if there is, that settles our supplies as far as we are concerned. It is a serious trouble for us, and it must be very serious for the British Navy, and as it is a question appertaining to the national defence of the Empire, it should be taken up from that point of view, and not in the direction, I submit, of encouraging the shale production, except for the purpose of supplying the demand of the Dominions in which this shale does occur. That will be good so far as it goes.

LORD HARCOURT: I have said nothing to-day in the direction of encouraging production from shale. All I suggested was that it was to the advantage of the Empire that all production—and, of course, I meant economic production—of oil was desirable; but I hope I have not led the Imperial Conference on to a side track. Indeed, my Memorandum, which Mr. Long has printed and circulated, referred not so much to the production of oil, which I did mention in the few remarks I made in opening to-day, but the Memorandum is directed to keeping the oil, and the companies producing it, somehow or other under British control for the future.

Mr. HUGHES: I think you have put your finger on the real point. Now what is being done there, Sir? Have we here the dossier of the different companies? What is their genealogy? What is their industry? Who owns them? The Standard Oil we know; but who is the British Imperial, who is the Anglo-Persian, and who is the Shell Transport? Are they one and the same?

LORD HARCOURT: We do know that.

Mr. HUGHES: I should like to know, because one man comes to us and professes to be entirely dissociated with them, but he is not.

Lord HARCOURT: If you have a few months to spare, you might begin to understand all the ramifications of oil. It is by far the most intricate and complicated business in the world. Mr. Long's Petroleum Executive will supply you with all the information.

Mr. COOK: All I know is, we are paying the British Imperial 105s. for oil to-day, and they are giving it the Royal Navy at 30s. to 50s. a ton.

Mr. HUGHES: Is it impossible to know as a fact whether British capital and British citizens—I mean natural-born citizens—control any of these companies or not? Is that a question which it is difficult to understand?

LORD HARCOURT: It is possible to know in some cases, but where there are a considerable number of bearer shares having voting power at meetings, we cannot know who are the owners of those bearer shares, nor can you be sure that even an English individual holding 10,000 shares may not be controlled by some alien.

Mr. MONTAGU: You can tell in the case of the Anglo-Persian?

LORD HARCOURT: Yes, of the Anglo-Persian the British Government owns the majority of the shares.

Mr. HUGHES: That is not suspect.

LORD HARCOURT: And the Burma Company is not suspect.

Sir ROBERT BORDEN: Nor Lord Cowdray, in Mexico?

LORD HARCOURT: So long as Lord Cowdray keeps it. I have no means of knowing whether Lord Cowdray has parted with any of his interests in it.

Mr. HUGHES: Is it not possible for Britain to pass such legislation as to compel disclosure of such facts as you speak of? The law lays it down as a basic principle that the law cannot be evaded by subterfuge, and if you say that oil coming into this country, other than oil produced by companies or persons of British origin or controlled by British capital, shall be liable to whatever you please, would that be of any avail at all?

LORD HARCOURT: You would be discouraging the import of the greater quantity of the oil which you require here, because our production within the Empire is so small that we must be dependent on foreign countries, and in many cases on foreign companies, though a great deal of the production in foreign countries is done by British-owned or partly British-controlled companies.

Mr. HUGHES: How much does the Anglo-Persian produce?

Sir JOHN CADMAN: About one and a half million tons a year.

Mr. HUGHES: How much Burma?

LORD HARCOURT: The Burma oil is all consumed in India; it does not come here. Anglo-Persian is mainly naval.

Mr. HUGHES: Have we come to an impasse? Is it admitted that in this vital particular—vital for the defence of the Empire and vital for the manufacturers of this country, because there is no doubt that petrol or petroleum products will be the fuel of the future—we are absolutely dependent for supplies upon persons who are our actual or potential enemies on the field of battle?

LORD HARCOURT: Certainly you are, and that is what led to my Memorandum.

Mr. HUGHES: Are we to sit down under that?

LORD HARCOURT: No, we are not sitting down; and that is why Mr. Long invited me to come to explain what the Memorandum means. The Memorandum states that in the matter of oil the self-governing Dominions are practically negligible. I should like to see them produce more. I have not spoken of the oil which we are arranging to produce and bring under control in other parts of the Empire. There is Egypt, and the Crown Colonies and Protectorates, and there are other countries with which we are in close connection—for example, Mesopotamia and Persia. But the self-governing Dominions are a mere speck in oil production, and I should be sorry to see them remain so. And if you increase your oil production, I beg you to keep it under your own control, which means British control.

Sir ROBERT BORDEN: So far as I understand the situation, Lord Harcourt, it is this: you have to depend on foreign countries for the greater part of your supply of oil at present. As far as foreign countries are concerned, you may organise companies under British control, and as long as the territorial jurisdiction of those countries is not exercised against you, you are comparatively safe. But in time of war you might not be safe, because you might be at war with those countries, or those countries might place an embargo upon it; and you really cannot alter that situation very much except by seeking to have British control as far as it is practicable to obtain it. Therefore you say to us: If it is possible in the Dominions to produce oil, whether from shale or from wells, on an economic basis, go ahead and do so as far as you can; and, in doing so, keep it under the control of British interests.

LORD HARCOURT: That is the whole thing in a nutshell.

Mr. HUGHES: I think it is only fair to point out that as far as shale oil is concerned, it must be for our own consumption.

Sir ROBERT BORDEN: Because it cannot be produced and transported economically.

LORD HARCOURT: I can, of course, only make suggestions, but I had been in conversation with Mr. Long on that subject, and I knew what he had been doing outside the Dominions, and I think there is more being done now; geological surveys are being made in a large number of the Crown Colonies, Nigeria, the Gold Coast, and there is a successful one in Somaliland.

CHAIRMAN: It is hard to get the men.

LORD HARCOURT: Yes, it is very hard to get the men, but all these things are being developed as rapidly as opportunities and scientists will allow. I have not dealt with all those, because I thought it would be inconvenient if I covered ground which really did not concern the Conference.

Mr. COOK: That is one which does concern us.

Mr. HUGHES: It does make a difference to us to know what has been done elsewhere, because what is the use of our developing shale oil if in Somaliland you can get oil which can be sent to Australia at a less rate so that you can undersell us? We want, therefore, to see the whole circumstances.

LORD HARCOURT: Oil from the Dutch Indies could be sent to Australia to compete with yours, no doubt.

Mr. HUGHES: For our own purpose—that is to say, for Naval requirements—whatever it is necessary to pay for the production of shale oil in sufficient quantities to provide fuel for our vessels, we shall pay that money, no matter what it costs. It

Mr. HUGHES—cont.

will be better for us to pay even what Mr. Cook says is the amount, 105s. a ton, for oil inside Australia than 50s. for oil got outside Australia; because the day may come when we shall not be able to get the oil in, and we shall want it very badly on that day.

Mr. COOK: That is the point, and it is the point of view of the Empire too, or should be.

CHAIRMAN: May I put the Resolution?

Mr. HUGHES: What is the Resolution?

CHAIRMAN: It is on the paper. (*The Chairman read the Resolution*). It does not commit you to anything.

Sir JOSEPH WARD: The Resolution is all right.

Mr. LLOYD: Before it is put I should like to ask, are we to be supplied with facts and figures? We have nothing at present before us? We have certain things expressed in general terms, but we do not even know what is exported from different parts of the Empire.

CHAIRMAN: You can have any information we have got which you like to ask for, but obviously we cannot circulate in public papers information as to our sources, and distribution, and powers of control over oil at this moment. That is one of the most vital secrets, which we do not give to anyone. We keep that information under lock and key, and do not allow anybody to see it except one or two of my executive officers.

Mr. LLOYD: Probably that is the reason of the form which this discussion has taken; but that has not been stated hitherto.

CHAIRMAN: We are obliged to keep these things to ourselves.

Mr. LLOYD: I am satisfied with that answer.

Mr. COOK: You will keep your eye on New Guinea, I suppose, will you?

CHAIRMAN: Yes. Then may I put the Resolution?

Mr. HUGHES: But that Resolution is purely for consideration.

CHAIRMAN: That is all you can do at present.

The Resolution was then put to the Conference and carried unanimously, as follows:—

The Conference takes note of the Memorandum on the question of petroleum, and, having regard to the great and growing importance of petroleum and its products for naval, military, and industrial purposes, desires to commend the suggestions contained in the Memorandum to the serious consideration of the Governments concerned.

CHAIRMAN: Thank you, Lord Harcourt.

Naturalization.

(See pp. 175–192 of [Cd. 9177].)

The part in [.] relating to Suez Canal Rates was omitted from p. 187 of [Cd. 9177].

Sir JOSEPH WARD: * * * * we are going to have a much more restrictive effect upon any possible chance of the enemy countries, Germany particularly, getting alongside of us in the years which are to come, than was the case during the last forty years.

[I mentioned the other day at this Conference that before the Conference rose I proposed to test the feeling of the Conference upon the question of differentiation of rates through the Suez Canal, and I have written a notice of motion out to-day for the purpose of bringing this matter up. I propose to read it, and it is one of the directions in which I think we should grapple with that fear of the future which we

Sir JOSEPH WARD—*cont.*

have regarding an enemy who has proved himself so unscrupulous and barbarous in every possible way, and I think we want to start to grip it through trade channels. I mention it here only incidentally to show that this, amongst other things, is another way in which we should approach it: "That in the opinion of the Imperial War Conference the rates levied upon shipping using the Suez Canal should be differentiated to impose an additional 50 per cent. upon all enemy-owned or chartered vessels using the Canal. The additional charge to be for a period of 10 years after the conclusion of peace." I am of opinion that when dealing with this, &c., &c.

Address to His Majesty the King.

(See pp. 192-193 of [Cd. 9177].)

FIFTEENTH DAY.

Wednesday, 24th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 11 A.M.

The names of those present are printed on pp. 194-195 of [Cd. 9177].

Reciprocity of Treatment between India and the Dominions.

(See pp. 195-201 of [Cd. 9177].)

Order of Business.

CHAIRMAN: The next subject on the agenda paper is the Imperial Court of Appeal. Very great difficulty has arisen here. The original motion stands in the name of the Prime Minister of Australia, and to that there is, I believe, an amendment to be moved—at all events, there is a draft amending Resolution on the paper. Unfortunately, Mr. Hughes has sent to say that he cannot be here this morning, because he is not well, and has asked that it should be taken this afternoon. On the other hand, the Lord Chancellor, whose presence is very essential, is waiting to come to the Conference. He is ready to come at a moment's notice, and he cannot attend this afternoon. So that it is my duty to put it to the Conference, in whose hands the matter entirely rests, and ask them to decide, in face of those two conflicting difficulties, what course they will take.

Mr. MASSEY: May we have the benefit of Mr. Cook's advice, as representing Australia?

Mr. COOK: I can only say how much I regret the absence of my colleague. I suggest it could very well be left over till this afternoon.

Mr. MASSEY: What about the Lord Chancellor?

CHAIRMAN: What shall we do about getting somebody to represent the Lord Chancellor?

Mr. COOK: Surely that could be done.

CHAIRMAN: We cannot have him, I understand. Sir Joseph, are you ready to go on with the question of the Suez Canal?

Sir JOSEPH WARD: Yes, at any time.

CHAIRMAN: Then perhaps it would be convenient if we put down Medals for this afternoon. There is an Army Council meeting going on.

Mr. COOK: Could we not deal with Medals this morning?

CHAIRMAN: I am afraid we cannot get the Adjutant-General. He is at the Army Council.

Mr. BURTON: I thought an agreement had been arrived at about that.

CHAIRMAN: We have got a programme for Friday. We might occupy the time usefully whilst we are waiting for Lord Robert Cecil, who is coming, in just considering it. We will take the subjects on the Agenda and go through them. The Imperial Court of Appeal, and Medals, we shall deal with this afternoon, and then that leaves us on Friday with the Admiralty Memorandum, Raw Materials, and Shipping, which come from Committees, and the Address to His Majesty.

Mr. COOK: What about the Pacific question?

CHAIRMAN: And, of course, now the Pacific question will come on on Friday. That gives us rather a long programme. I do not know what the discussion on the Admiralty Memorandum is going to be.

Mr. MASSEY: I have two very important resolutions which have been put back time after time. I hope they will not be put off till Friday evening at nine o'clock, or something of that sort. There is one on Shipping, which is most important.

CHAIRMAN: That is put down for Friday morning.

Mr. MASSEY: There is the other one about alteration in the Royal Arms.

CHAIRMAN: I must see you about that. We cannot raise that here.

15th Day.]

NAVAL DEFENCE.

[24 July 1918.]

Naval Defence.

Mr. ROWELL: Would it expedite matters if I were to repeat what I said the other day, Mr. Long, in reference to the Admiralty Memorandum? I have since had an opportunity of consulting Sir Robert Borden about it, and his view is just as I expressed the other day—that at the present stage of the proceedings it is not a matter which we could discuss here in the Conference, because the Admiralty Memorandum would have to be submitted, the Prime Minister feels, to his colleagues in Canada, and the whole situation reviewed and discussed with the Admiralty here, before Canada would be prepared to enter into any discussion in this Conference of the Admiralty proposals.

Mr. BALLANTYNE: I might say that, as Minister of the Naval Service in Canada, I confirm Mr. Rowell's statement. I have had several talks with the Prime Minister, and he thinks it would be better if the representatives of the Oversea Dominions would meet the Admiralty with us and discuss the question first. Probably we should in that way get a better idea of each other's views, and of what the Admiralty really want.

Mr. LLOYD: Has the Memorandum been circulated?

Mr. BALLANTYNE: It is not much use discussing it here, and also discussing it with the Admiralty. Do you not think so, Mr. Cook?

Mr. COOK: I do not think I should say anything about this, because it is a matter which affects more nearly others. We have had our arrangements for the last eight or nine years, and upon those lines we are developing.

Mr. BALLANTYNE: Who is raising the question—New Zealand or Australia?

Mr. COOK: The Admiralty raises the question by submitting a Memorandum.

Mr. ROWELL: May I suggest, Mr. Long, that you take the judgment of the Conference on the question whether it should be put on the Agenda at all? Our feeling would be that it is not desirable in the present session of the Conference to put it on the Agenda.

Mr. LLOYD: But before that can be put I would like to know what is referred to.

CHAIRMAN: Last year we had a discussion on the Admiralty arrangements for the future, and as to what steps it was proposed to take to protect the Imperial position in the Pacific against risks in the future, and the discussion ended in the understanding that there was to be an Admiralty Memorandum prepared. But there was some question apparently as to what course this Conference was to take. Now the Admiralty have prepared a Memorandum: it has been circulated to the Conference for some considerable time now, and it has made its appearance on the Agenda. But we now know that Canada does not propose to discuss it here—does not want it discussed here.

Mr. BALLANTYNE: And for a very good reason. If you refer to the proceedings at last year's Conference, you will see that it was stated clearly that there would be no discussion on the Admiralty question—the question of local navies or Imperial navies—until after the war; and that is the reason why Canada is not fully prepared now to discuss the matter.

Sir JOSEPH WARD: No one wants to force a discussion against the will of any other country, I am sure, but is not the position we are taking up a little illogical? At the last conference a Resolution was carried here, inviting the Admiralty to frame a system which they thought most likely to protect the Empire, whether local or general.† The Admiralty have done that, and they have sent a Memorandum to the Conference, and surely there should not now be a sort of shyness on the part of this Conference in discussing it. As I say, I am quite sure that no one would wish to force the matter, but surely, having asked the Admiralty for the report, and having got that report, it is a little illogical for the Conference to decide, when we have got it here, that, instead of discussing it here, it should be referred to the respective Governments for their consideration.

* See pp. 349–351.

† See p. xii. of Dominions No. 62.

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Mr. LLOYD: That hardly meets the case.

Mr. BALLANTYNE: On Friday, March 30th, last year, this is what was done: "That the Admiralty be requested to work out immediately after the conclusion of the war what they consider the most effective system of Naval Defence for the Empire, for the consideration of the several Governments summoned to this Conference, with such recommendations as the Admiralty consider necessary in that respect for the Empire's future security."

CHAIRMAN: That does not prevent the matter being raised this year in any way at all.

Mr. BALLANTYNE: Canada has not any objection to its being raised, but before I left Canada I talked the matter over with the Prime Minister, and he said the matter was not coming up at all on account of this Resolution. We have no objection to discussing it, but as we are going to discuss it with the Admiralty, we do not see the necessity of discussing it here.

CHAIRMAN: You do not propose to take any part in it?

Mr. BALLANTYNE: Not as far as this Conference is concerned.

Mr. MASSEY: I do not see how it is possible to do justice to it at this period of the Conference. We are all intensely concerned—I am speaking now of all British citizens—with the defence of the Pacific, because up to the present it has been very unsatisfactory; there is no question about that. It is no use at the present moment going into details, but nobody feels more strongly about it than I do, and I am very anxious that we should bring about a better state of things as soon as we possibly can. I know the present arrangement will hold out till the end of the war, but we had some very serious happenings in the Pacific at the commencement of the war, and I think it was from want of understanding the position on the part of the Admiralty. However, it is no use going into it now.

CHAIRMAN: Shall we let it stand for Friday, or take it off altogether?

Mr. LLOYD: There is the other suggestion—that there should be a meeting of the various Governments outside.

Mr. BALLANTYNE: Canada is very anxious—and I am anxious as Minister of Naval Affairs—to know your views, Mr. Massey, and Mr. Cook's, before I leave London; but I thought I could get the benefit of them when we were discussing it with the Admiralty.

Mr. COOK: I am inclined to think it would be better to discuss it there before bringing it here.

Mr. MASSEY: I think so, too. This is a matter which should be regarded during the war period as strictly confidential, and it is a fact, disguise it how we may, that anything of importance we agree upon, becomes—not at once, but in course of time—the property of the Empire. We create an atmosphere by discussing it, and that atmosphere finds its way outside.

CHAIRMAN: What the Admiralty say is that they cannot go on with their schemes until they have an understanding as to certain definite principles with the Dominion Governments.

Mr. BALLANTYNE: That is quite right, Mr. Long. What the Prime Minister would like, and I would like, is to have it removed from the Agenda here, and have it discussed at the Admiralty.

CHAIRMAN: Do you propose that?

Mr. BALLANTYNE: Yes.

CHAIRMAN: Canada proposes that the Admiralty Memorandum now down for discussion on Friday should be removed from our Agenda, and that the Governments should decide to discuss it with the Admiralty. Is that the pleasure of the Conference?

Mr. LLOYD: What does that mean?

CHAIRMAN: That we shall not discuss it in the Conference at all.

Mr. LLOYD: That is another point. Does that mean not discussing it again, or to discuss it all together—to get all the Dominions?

* Resolution IV. of Imperial War Conference, 1917, p. xii. of Dominions No. 62.

Mr. BALLANTYNE: Yes, to get them all together.

Sir JOSEPH WARD: I see no objection to discussing it in the Conference, and it is put down on the Agenda. If we are to pass Resolutions at this Conference deciding upon a particular course, and we have that course recorded in our proceedings, and then, at a subsequent meeting, we expunge from our own record what we deliberately decided before, anybody looking at the records a year hence would wonder what sort of a Conference it was. We expected to get a decision after the war, but if the Admiralty send in their Memorandum before the war is concluded, surely we should be prepared to let it come before the Conference, and then decide what course to take. I have no objection to discussing it with the Admiralty. What are we going to do after discussing it with the Admiralty, supposing there is any disagreement between any of the members on any of the points which come before the Admiralty? The discussion is to be confidential, and rightly so, and until the Admiralty removes that confidentiality, as far as the people of the British Empire are concerned they have no knowledge whatever of what is going on as between the representatives of the Admiralty and their own representatives as to what is to be done in connection with naval matters. It has to be decided in our own countries finally, and by our own Governments, who have, after all, the full right to decide what to do, and they will decide in accordance with what they think best in their own circumstances and for the Empire as a whole. I am of opinion that it should come up here, and if you like then to refer it again to the Admiralty for a subsequent Conference, by all means do so. But to pass a Resolution of this sort expunging it from the records I look upon as a most unusual and unsatisfactory thing to do.

Mr. COOK: What we are proposing to do is what Sir Joseph Ward does every day of his life at home—he alters the programme of Parliament as it suits the Government from time to time. And certain it is that however you may discuss it here, you have got to discuss it in secret as well. You cannot discuss the strategic aspects of the naval question across this table—nobody can do that—it has got to be done by the Admiralty at some time and place, and what is suggested now is that in order to save time we should get down to these considerations first with the Admiralty, and then, if necessary, bring it to this table afterwards for ratification.

Sir JOSEPH WARD: Whatever is secret will be kept, and if necessary, secret for all time, but if this united Empire cannot show combined strength, and let the enemy know how far we are prepared to stand together with a view to muzzling him and downing him in future, then it is a weak course to take. The time may and will in all probability arise to remove the confidence in order to allow your enemy to know what you have made up your mind to do, when it is to your advantage, and not to his advantage, to know what has been decided.

Mr. MASSEY: I do not know whether it is possible to arrive at an understanding as to what should be done from the naval point of view. Personally, I know there are strong differences of opinion with regard to it, but I do think that some of the advantages which the enemy has had during this war have been owing to the knowledge that he was able to obtain about everything we were doing. Nothing was kept from him, no matter what it was—he was allowed to go to our naval reviews, and our military reviews, and places like those great establishments where munitions are manufactured, and weapons prepared, and guns made, and all that sort of thing. It came out in the Law Courts just recently that he had been keeping an accurate record of it—of nearly everything done in England—nearly the whole of our preparations. I do think that sort of thing should be avoided as far as possible. When we have arrived at an understanding, and come and ask for legislation, either by the British Parliament or by the Dominions, then it must come before the public, so far as it is desirable to make public the understandings at which we arrive, but until then I do not think we should publish anything more than we can possibly help, especially on a matter such as this.

CHAIRMAN: Is it the wish of the Conference that the Admiralty Memorandum be not taken here, and that it be left to the Governments to discuss the matter with the Admiralty in person.

[Agreed.]

Differential Suez Canal Dues.

CHAIRMAN: Now, Sir Joseph, will you be kind enough to raise your question for which Lord Robert Cecil has been good enough to come?

Sir JOSEPH WARD: Yes, sir. I move:

"That in the opinion of the Imperial War Conference the rates levied upon shipping using the Suez Canal should be differentiated to impose an additional 50 per cent. upon all enemy-owned or chartered vessels using the Canal; the additional charge to be for a period of 10 years after the conclusion of peace."

I want to say that I am quite aware of the fact that in passing this Resolution, it is only a recommendation for consideration of those who govern the Suez Canal—that means principally the representatives of the British Government and the French Government—and that nothing can be done in a matter such as this without the full concurrence of the British and the French Governments. I also know that the British Government has seven-sixteenths of the whole shareholding in this great company. It does not alter the fact that, since the beginning of this war, Germany has shown very clearly that she was prepared to down the British Empire in all parts, and by the most diabolical means they have endeavoured to strike terror into innocent and undefended communities, both on the Continent and among the British people as well, both on land and sea, by most diabolical means that before this war were unknown. And it seems to me that if we want seriously to prevent the Germans from remaining in the position that they were fast approaching before the war, we have every right, in a legitimate way, to use all the means that we control—and we practically own with the French Government the Suez Canal—so as to prevent them obtaining a similar position in the years that are to come.

I do not know whether it is generally known or not what proportion of the trade going through the Suez Canal was German prior to the war, but I propose, at all events, to put on record what the position is; and I sincerely hope, Mr. Long, that we are not going to be placed in the position of saying that we are not to take the gloves off in connection with this water-way on the score that it would be an interference with the freedom of the seas. That aspect of the question I do not propose to discuss here, except to say that a piece of land which prevented two oceans from meeting has been dug out and has been created a part of the highway connecting the seas. There is a great deal of talk about the enemy's right to have the freedom of the seas, but I hold that the people who carry a work of that kind out—the French people in the first instance, and the British Government, through the purchase of shares by the then Prime Minister of the day, coming in for a share in the control of the Canal—I hold that the Suez Canal, which was dug out by those people, and is largely owned by the British as well as the French, who were originally responsible for its construction, is in a different position to what is covered by the ordinary term "freedom of the seas." And I hope that the gloves are going to be taken off in a matter of this sort, and that the British Government and the French Government, while allowing the use of the Suez Canal upon even terms to those Powers which have been friendly to us during the currency of this war, are not going to be squeamish about Germany in connection with the future use of the Suez Canal.

In 1913 there were 4,979 vessels passed through the Suez Canal, with a net tonnage of 19,758,040. The British had 2,902 vessels, with a net tonnage of 11,887,170; the Germans 771 vessels, with a net tonnage of 3,317,593; the French 255 vessels, with a net tonnage of 925,709; the Dutch 338 vessels, with a net tonnage of 1,283,986; Austria-Hungary 244 vessels, with a net tonnage of 843,068; Russia 109 vessels, with a net tonnage of 337,342; Italy 89 vessels, with a net tonnage of 256,594; Norway 44 vessels, with a net tonnage of 93,352; the Ottoman Empire 11 vessels, with a net tonnage of 19,896; Denmark 56 vessels, with a net tonnage of 172,938; Japan 68 vessels, with a net tonnage of 343,580; Spain 26 vessels, with a net tonnage of 75,645; and other nationalities 66 vessels, with a net tonnage of 201,167. In 1915 there were 3,708 vessels passed through the Suez Canal, with a net tonnage of 15,266,155. In 1915 Germany had no vessels passing through it; Austria-Hungary

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Sir JOSEPH WARD—*cont.*

had none. Turkey none, Siam none, Persia none, China none, and Portugal none; and that owing to war accounts for the reduction of about 4,000,000 tons during that particular year.

Now, Mr. Long, it may be said, by those who are intimately concerned, that by carrying a Resolution such as this finally into effect, it is going to interfere with the revenue of the Suez Canal. The revenue in 1906 was 4,430,749*l.*, and it went up year by year. In 1907 it was 4,752,381*l.*; in 1908, 4,411,039*l.*; in 1909, 4,782,724*l.*; in 1910, 5,289,887*l.*; in 1911, 5,461,358*l.*; in 1912, 5,535,914*l.*; and in 1913, 6,140,403*l.* Well, my answer to that is that if such a proposal as this can be put into effect after the war is over, whatever loss of trade is due to enemy vessels no longer carrying a large proportion of their trade through the Suez Canal to the East, Australia, New Zealand, India, and those countries—the Suez Canal was the shortest route to enable steamers to go there—the great proportion of that trade is going to be secured and taken up by British vessels and by vessels owned by friendly Allied countries. It seems to me we ought not to consider for a moment whether this step is going to affect injuriously the trade carried by Germany after the war as compared with what she previously carried. Because, after all, there is the fact that in the year 1913 and previous years, the Germans had the next largest tonnage to the British going through the Suez Canal, and our partner in the business, the French, were very low down upon the list—they were only 927,000 tons in the year previous to the war, and, indeed, since the war, with Germany out, their net tonnage is only 666,122; so after all this proposal is one to enable British interests and those friendly Allies of ours to have the benefit of this Canal, and by receiving the benefits of it, it must tremendously influence manufacturing in Britain, and that, I take it, will be part of the policy to be brought into operation when this war is over. At all events, I hope it will be.

The British tonnage in 1911 passing through the Canal was 63 per cent.; in 1912, 63·4; in 1913, 60·2; in 1914, 66·5; in 1915, 76·3; and in 1916, 79·6. So that the British tonnage, by every examination of what has gone through that Canal, is distinctly and by far the largest that was using it prior to the war. Now is it justifiable for these countries who control the Canal to say that they are going to charge enemy countries a higher rate than they are going to charge themselves for the use of what belongs to themselves? Well, as a matter of fact, if Germany had it, I am perfectly certain they would take it out of the British people within a month after the war was over, and in all probability use it for purposes of indemnity if they succeeded in winning the war, which I do not think there is the slightest chance of their doing. Is it justifiable, Mr. Long, for a country to say it is going to favour its own people in regard to what belongs to them? As a matter of fact, no man in ordinary life would put his enemy on the same footing as his friend, if his enemy was trying to cut his throat; and here is a country which has been trying to cut our throat all along, and all these years they have had the advantage of using the Suez Canal on even terms with ourselves. In years gone by that has helped them, by increasing their trade, to get into the position of being able to force this war upon us, which has resulted in Great Britain having to borrow thousands of millions of money, and in imposing enormous liabilities on all the oversea countries and our Allies, because Germany attempted to make its already strong position still stronger at the point of the bayonet and at the mouth of the gun by an attempt to dominate the whole world.

The charges on the Canal before the war were 8·50 francs per ton, and now they have risen 75 per cent. above the pre-war rates. My opinion is that, as the highway to the East and as the highway to the oversea countries in the Pacific, the pre-war rate, as soon as the war is over, ought to be brought into operation as quickly as possible. But if you bring the 8·50 francs per ton rate into operation as soon as the war is over, and allow Germany to have the use of the Canal at that rate, that is going to be a most powerful weapon up against the British merchant, the British shipowner, and the British people in the oversea countries, and you will handicap them to an extent that is going to allow Germany to run a race on even terms for equality and supremacy in mercantile matters that, in my opinion, will be very injurious to the future of ourselves and countries friendly to us. Personally, I

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Sir JOSEPH WARD—*cont.*

would go a great deal further than that. I suppose after the war is over, it could only be done with the consent of the British authorities—I do not know—but as far as New Zealand is concerned, I for one, and I have said it publicly, would be prepared to put a big handicap against them in our harbours by making our harbour dues, our lighthouse charges, and so on, very much heavier for German shipping than for those of British and friendly Powers. And, as a matter of fact, in New Zealand we have already upon our Statute Book—the importations from enemy countries ceased, of course, from the beginning of the war, but we have the authority of Parliament to bring into operation a handicap of 60 per cent. on all importation of goods from Germany after peace has been arranged. Now what is the use of our oversea countries taking this course with a view to confining the trade to interests friendly to us and to the British Empire in particular, unless we have co-operation from the point of view of preventing the growth of this trade by our arch enemy in years to come by their using the Suez Canal upon equal terms?

Well, I am not going to detain the Conference by elaborating this matter further. I have put a few facts on record for the purpose of showing what the position is. I believe we all recognise that the Germans were preparing to oust us, they were preparing to ruin us as a country, and I do not think, as a matter of sensible procedure, we ought to allow them to utilise those advantages which, in regard to the Suez Canal, ourselves and France have got on terms equal with our own people. I sincerely hope this Resolution will be carried, and I have enough sense to know that, if carried, it will require to go to the War Cabinet, and that from them it will require to go and receive the concurrence of the French Government, and that unless it did, we could not do anything. But I apprehend that the French are just as deeply impressed as we are with the fact that they are fighting for their very existence against an unscrupulous foe, and just as ready to use the natural and legitimate means for the purpose of preventing that country, in the years to come, from getting into a position which they will use every means to do, if not firmly handled, for the purpose in the years to come, of again trying to put down the British Empire and the French nation, to gain an ascendancy for themselves. I move the Resolution.

CHAIRMAN: The Resolution is:—

“That in the opinion of the Imperial War Conference the rates levied upon shipping using the Suez Canal should be differentiated to impose an additional 50 per cent. upon all enemy-owned or chartered vessels using the Canal; the additional charge to be for a period of ten years after the conclusion of peace.”

Would Lord Robert Cecil like to make a statement to the Conference now?

Lord ROBERT CECIL: If it meets with the wishes of the Conference. Of course, I hope it is quite unnecessary for me to say that the British Government are as anxious as Sir Joseph Ward, or any member of the Conference can be, to utilise all our powers to prevent the Prussian power ever being in a position of striking not only at the British Empire, but at the world at large, in the way in which they have struck in this war. If Sir Joseph Ward will forgive me for saying so—I am sure he will not think I am adopting in any sense a hostile attitude—I rather resent the use of such phrases as that “the time has come for taking the gloves off.” As far as the British Government is concerned, they took the gloves off at the beginning of the war, and they have done everything they can—everything they thought was in the interest of the Allies—to carry on the war with the utmost vigour and power. Certainly I can speak very definitely since I have been a member of the Government, now over three years, and I do not like it to be said, even in the privacy of this Conference—I do not like it suggested—I do not suppose Sir Joseph had that in his mind, but I do not like phrases to be used which might suggest to outsiders that there is any want of wholeheartedness in the prosecution of the war by this country.

Sir JOSEPH WARD: I did not intend or desire to suggest that at all.

Lord ROBERT CECIL: No, I am sure you did not, but the phrase is just one of those that might be misunderstood. Just let me say one other word before I come to the difficulties that there are in the way of the proposal. I quite agree with Sir

Lord ROBERT CECIL—*cont.*

Joseph Ward that this is not a matter in which we should too nicely weigh questions of revenue. I should not ask the Conference to deal with this on the basis that it might, or might not, injure the revenue to be obtained from the Suez Canal users. That is much too small a matter to be dealt with in connection with so big a subject.

The difficulties are twofold. In the first place, Sir Joseph Ward spoke as if the Suez Canal belonged to us. That, of course, is not the true position at all. Until the beginning of this war Egypt was in no sense part of the British Empire; it was part of the Turkish Empire technically, and all our position and the position of the other European Powers was that we had Consuls-General resident in Egypt, who gave advice to Egypt which the Egyptian Government was theoretically entitled to neglect or adopt as they liked. It is quite true we had relatively great forces there, both economically and militarily, and in reality our position was much stronger than the technical phrases might imply; but it had this great importance—that our rights as against other foreign Powers were no greater than theirs, and we could do nothing in Egypt, practically speaking, or very little, without the consent and approval of all the other foreign Powers. I hope that position will become much easier in future, but that is the position even to this day. When the Canal was first constructed, it was constructed by a French Company on the basis of a concession given to it by the then Viceroy of Egypt, Mahomet Said, and in giving it, knowing the international position which Egypt even then had gained, he made this statement:—

"We declare solemnly for us and our successors, under reserve of ratification by His Imperial Majesty the Sultan, the Grand Maritime Canal from Suez to Pelasium and the ports dependent on the same to be free for ever as neutral passages, to all merchant ships passing from one sea to the other without any distinction, exclusion or preference of persons or nationalities, upon payment of the dues and compliance with the regulations established by the Company."

Well, that was a perfectly clear statement that there was to be no preference for one nation over another. And in 1888 Great Britain, Germany, Austria-Hungary, Spain, France, Italy, the Netherlands, Russia, and Turkey entered into a Convention respecting the free navigation of the Suez Maritime Canal. The basis of the Convention was that they wished to establish by a Conventional Act "a definite" system destined to guarantee for all time, and for all the Powers, the free use of the "Suez Maritime Canal, and thus complete the system under which the navigation of" this Canal has been placed by the Firman of His Imperial Majesty the Sultan, "dated 22nd February, 1866." That is not, I think, the Firman I read—it was not a Firman strictly, but a concession, but it was the Firman which ratified that concession. And in this agreement these two clauses are contained: "The high contracting parties" by application of the principle of equality as regards the free use of the Canal, a "principle which forms one of the bases of the present treaty, agree that none of" them shall endeavour to obtain, with regard to the Canal, territorial or commercial "advantages or privileges in any international arrangements which may be concluded. Moreover, the rights of Turkey as a territorial Power are observed."* The Convention goes on: "With the exception of the obligations expressly provided by the" clauses of the present treaty, the sovereign rights of His Imperial Majesty the "Sultan, and the rights and immunities of His Highness the Khedive, resulting" from the Firmans are any way affected."†

Now I think that on a fair reading of that, everybody will agree that it was an agreement made between the Powers represented there on the basis of the previous concessions and firmans, and defining the obligations and rights of the parties to that agreement in the Canal. The Conference will observe that the signatories of the Convention included three of our enemies—Germany, Austria-Hungary, and Turkey—and as far as they are concerned, they would have, I think, in all probability, no rights after the war in respect of this agreement, which, like all other agreements between us, has been put an end to by the war. But the other parties to it, of course, retain their rights—that is to say, Spain, France, Italy, the Netherlands, and, I

* See C. 5623, p. 7.

† *Id. loc. cit.*

LORD ROBERT CECIL—*cont.*

suppose, Russia, if she has a Government which we recognise as a successor of the previous Government. And therefore, as far as I can see, there would be very great difficulty, unless we were to imitate the German attitude in regard to treaties and treat them as scraps of paper—I think there would be very great difficulty in our doing anything which any of the signatories thought contrary to the terms of this treaty except with the consent of all the signatories of the treaty. It is quite true you might say you propose only to penalise the enemy countries, therefore it is only they who could object.

Mr. COOK: The countries which you say have no rights.

LORD ROBERT CECIL: Yes. You might say that, but it would be open to Spain, for instance, to say, "Well, as far as you are concerned, Germany has no" rights, that is true; but, as far as we are concerned, the Convention remains "operative between us and Germany," which is also true. Spain is not at war with Germany. Spain might say, and would, I think, very probably say, "You have no" right to make any difference in this treaty affecting Germany without our consent: "you must get our consent to it"—and though I should be quite willing, if the Conference thought it desirable, to suggest to the Secretary of State, to urge on the Secretary of State, the desirability of entering into such negotiations, I must honestly say that I think such negotiations are not very likely to succeed, because I do not see quite what Spain would have substantially to get out of them. She certainly has shown during the war extreme reluctance to quarrel with Germany, and the same thing is as true of the Netherlands as of Spain. Therefore I see, from the treaty point of view—I am bound to put this before the Conference, and I should not be assisting in any way if I did not—I see a great difficulty from the point of view of the treaty position, though, of course, I am quite ready, if the Conference desires it, to investigate the matter, and enter into negotiations, and see what can be done in the direction which Sir Joseph Ward desires.

I am bound to add a second consideration which I think the Conference must consider rather carefully. The Suez Canal does not stand altogether alone. There are other waters which are under international control in the same kind of way. There is the Danube, there is the mouth of the Scheldt, which is very important to us, because it gives us access to Antwerp, and, of course, most of all, there is the Panama Canal. And in the case of the Panama Canal, it is interesting to observe—I am not going to trouble the Conference with the history of the controversy—that we had a very great controversy with the United States in order to preserve under our existing treaties our complete freedom of passage through the Canal, and the right we have to prevent any preference being given to American ships. We have therefore stood very strongly there on the principle that there should be complete freedom of navigation in that Canal, and some of—indeed, a good many of—our shipowners are strongly of opinion that we must do nothing which should weaken our position with regard to other international passages of the same kind. Quite recently a Committee was appointed by the Board of Trade to advise them on shipping and shipbuilding industries. I am not an expert in these matters, but I can see by the names of the signatories that it was a committee which was representative of all the largest shipping interests in this country, and I find that at paragraph 320 they reported that—

"the right of transit has three forms, according as it affects ships, goods or persons. It is a right that should be given to vessels of all flags to pass through a waterway in the territory of a given country from one sea to another sea or to goods and persons to pass in transit across the intervening territory of a third country. Such a right is an integral part of the general policy of freedom which we advocated above; and we think it sufficiently fundamental to be embodied in the diplomatic instruments which will no doubt be drawn up at the end of the war for the future regulation of international intercourse. Practice in the past has been as follows:—

"(1) *Vessels.*—The outstanding instances of equal treatment for all flags are afforded by the Suez Canal and by the Panama Canal. The principle of equality, which is of the utmost importance to international relations

LORD ROBERT CECIL—*cont.*

after the war, was furthered by the acquiescence of the United States Government in the claim of His Majesty's Government that preferential treatment in respect of the remission of tolls on the Panama Canal could not be accorded to American coastwise shipping under the terms of the Hay-Pauncefote Treaty. We should, therefore, deprecate any arrangement, direct or indirect, which would give British shipping preferential treatment in respect of Suez Canal dues."

Well, I am not an expert on the shipping trade, but I think the Conference ought to consider that, from the point of view of the very important interests here, we should be doing ourselves injury by insisting on any such proposal as that which has been brought before the Conference.

Those are the two difficulties. It is my business to bring them before the Conference. It is for the Conference to decide what it thinks ought to be done. And the only thing that I hope and trust the Conference will not do, if I may very respectfully say so to them, is to pass any Resolution which could be construed by our enemies as indicating indifference to the sanctity of our treaty obligations. I am quite ready to negotiate about treaties and get those who have rights under them to make concessions as to their rights, but I do hope we shall do nothing which should indicate in any way that we regard lightly the treaty obligations into which we have entered. I do not think there is anything else I have to say. I should not like the Resolution as it stands. I would like it put more tentatively, if Sir Joseph Ward will excuse my saying so.

Mr. ROWELL: While we have been greatly interested in the statement which Sir Joseph Ward made and the figures which he has given us as to the Suez Canal, I think that as far as we are concerned we feel, in view of the statement made by Lord Robert Cecil as to the true position, and also the practical considerations governing this matter, that perhaps Sir Joseph would agree that, having brought it before the Conference, it was unnecessary for him to press the Resolution. I think our view would be that it should not be pressed.

CHAIRMAN: We could not pass this Resolution in face of what Lord Robert has said, because it expresses a desire that we should do a thing which, apparently, as things stand at present, would result in our tearing up a treaty as a scrap of paper.

Mr. ROWELL: I think the matter is safe in the hands of the Government.

LORD ROBERT CECIL: I would rather, on the whole, that there were no Resolution, but I do not press that. If the Conference desires that the matter should be further examined and looked into to see what can be done, I should not resist any Resolution in that sense. The reason why I do not like this Resolution is that it definitely defines what should be done immediately, without, apparently, having any consideration of treaty obligations, and I think Sir Joseph Ward will probably see that there is a difficulty about passing it in that particular form.

Sir JOSEPH WARD: Perhaps the Conference will allow me to say a word at this juncture. I want to remove an impression which Lord Robert Cecil apparently entertained regarding my remarks about "taking the gloves off." I made no allusion to the British Government, directly or indirectly, as to their having shown a want of whole-heartedness in their desire to win the war in any of my remarks to-day nor at any time. On the contrary, in England and elsewhere I have frequently spoken in strong support and approval of what has been done by the British Government since the commencement of the war, and I hold the opinion, as I have said repeatedly, that what has been done here no other country in the world could have done so well. I have never presumed to criticise the conduct of the Government of this country in regard to the conduct of the war while I have been in England, here in the Conference, or elsewhere. The whole of my object was to emphasise the very serious position after the war, and in talking about taking the gloves off I was applying that to the whole British people in all parts of the Empire, and was certainly not reflecting upon anything which the British Government have done during the term of the war. I recognise just as much as anybody else does that, in the Titanic struggle in which we are engaged, what this country had to do was phenomenal, and I also realise that

Sir JOSEPH WARD—*cont.*

no other country could have done what this country has done, and if my remarks appeared to imply any reflection upon the British Government or a want of whole-heartedness on their part to win the war, or to conduct operations to bring that about, when I spoke about taking the gloves off, I desire to say that no such thing was in my mind, nor did I ever intend it to so apply.

LORD ROBERT CECIL: I am very much obliged.

Sir JOSEPH WARD: Now I quite recognise that Lord Robert Cecil's statement, in the responsible position he holds, as to how we stand with regard to treaties which have been signed by neutral countries, and, in the particular case he cited, by Spain, a country which is not at war with Germany, naturally it makes it impossible for my Resolution to be carried in its original form. But I would prefer that the Conference in a general way should pass a Resolution urging that inquiry or investigation, or whatever it may be called, should be made with a view to seeing whether we cannot impose some extra charges upon those enemies using the Suez Canal that have been trying to wipe us out of existence.

LORD ROBERT CECIL: I should be quite willing, as far as my opinion is worth anything, to accept that.

Sir JOSEPH WARD: Well, if the Resolution can be altered in that way, I shall be only too glad to move it. Personally, I want to say to my friends from Canada—and I want to say it with all respect, and I am sure they will understand it—that I do not believe as a general principle in running away from a proposal. Here is a matter in which we are all vitally concerned, and as to which I, for one, am in dead earnest—and I know you are just as much in earnest as I am. But if we bring Resolutions up with a little sting, and, because there are some difficulties in putting them into effect, we at once drop them, and decide that we are not going to carry anything at all, I do not think that is good policy though it may be necessary after full discussion to do so. I do not think that is the way a general who has had a bad time in fighting an enemy acts; on the contrary, he alters his course, and tries in some form or other to get his ground strengthened. That is what I would like to do. I shall be extremely glad to have the assistance of the Canadian representatives in agreeing to some Resolution in the terms to which I have just referred. As I have already said, I fully recognise the difficulties suggested by Lord Robert Cecil, and I recognise them with complete cordiality.

Mr. COOK: I think we are under great obligation to Lord Robert for having put this matter so clearly to us. It is not so simple a matter as I had supposed, because of the fact that it affects our relations with neutral countries, and this fact seems to present what seem at the moment almost insuperable obstacles to our carrying out what otherwise would have been a very desirable thing to do. I agree with Sir Joseph Ward that we must not be squeamish about our treatment of our enemies, either militarily or economically, and that any weapon which comes handy can be used in a war of this kind. But, on the other hand, we may not use weapons which are forbidden by the law of nations, which it is the great purpose of this war to uphold and to compel respect for. We must be very careful that we are not guilty of the very crime as a result of which we are fighting at this moment. Therefore, it seems to me, that all we can possibly do in this matter at the present time is to ask the Imperial Government to investigate the matter, to see whether we can, consistently with our treaty obligations to our neutral neighbours, interfere with Suez Canal rates so as to give preferential treatment to the Allies. Everything depends on that. There can be no objection to our asking the Government to go as far as that, but, without violating the obligations which we have entered into with neutral countries, it appears plain that we cannot proceed further in a matter of this kind at the present time.

Mr. BURTON: Mr. Long, I only want to say that this is how the matter strikes me, after the very interesting explanation which Lord Robert has given us of the diplomatic position—that really, at present, the subject is one which we may safely leave to the Imperial Government to deal with. I feel that we are quite safe in the hands of the Foreign Office in this matter, and that they will make any

Mr. BURTON—*cont.*

inquiry which may be suitable and possible for them to make. That is my feeling about it. I think that after the statement which Lord Robert Cecil has made to us we should not pass a Resolution at all, but simply leave the whole matter to the British Government to deal with.

Mr. LLOYD: That represents my opinion. I do not think we should pass a Resolution dealing with how a differentiation of rates between neutrals and enemies in the Suez Canal is to be brought about; because it seems to me there is the much larger question of how any change would affect our own trade with reference to the use of the Panama Canal and other waterways. That appears to me to be far more important, and I would deprecate any Resolution being passed, except something very, very general, with regard to investigation, upon this occasion. Perhaps the suggestion will be enough.

Mr. MASSEY: I should just like to say that in my opinion, consistent with treaty obligations, of course, and the principles of common justice, we should leave nothing undone which will assist us in connection with the commercial and industrial struggle upon which I feel certain we shall be compelled to enter when the war comes to an end. I have it on the most reliable authority that in neutral countries to-day, and especially in Spain, there are warehouses, many of them as big as these buildings in London, crammed to the roof with raw materials, ready for the time when the Germans will be able to use them for their manufacturing industries. There is not the very slightest doubt that they are getting ready now in every possible direction; and I think this Resolution has a bearing upon the preparations which are being made. In saying that, I should be the very last to interfere with any treaty obligation that may exist to-day. We had quite enough of the tearing up of "scraps of paper," and that sort of thing, at the commencement of the war.

Following that up, I should like to add that we happen to know the intense importance which Germany attaches to the Suez Canal. I picked up a book the other day to read during a few moments of leisure, and I came across a quotation from a German writer—one of those who was encouraged in every possible way by the German Government, and by the Kaiser himself—and in all probability the publication of the book was subsidised, as was the case with so many others. I have not the book at present before me, but I recollect enough of it to give the gist of what I referred to, and it was this: "To be able to stab Britain to the heart we must get possession of the Suez Canal." Now that was a German opinion. Probably Lord Robert Cecil has seen the book I refer to.

LORD ROBERT CECIL: Oh, yes.

Mr. MASSEY: I just mention that as showing the intense importance which Germany attaches to the Suez Canal. And perhaps the Conference will recollect that there was an attempt made by the Turks, at the commencement of the war, actually to obtain possession of the Canal. That attempt failed, and it has not been renewed. But if the war happened to go against us, we could make up our minds to this—that we should lose the Suez Canal, and probably, in addition to losing the ownership, we should lose the right to use it. And it was also with the object of crippling our commerce, and our position in the East, that arrangements were made to start the Baghdad Railway. There is not the slightest doubt that Germany, by starting the Baghdad Railway, intended to interfere with our position in the East. I see the difficulties in the way of what is proposed, but in another direction, Mr. Long, I would like to go further, and I would like to see the British Government take in hand the reconsideration of the navigation laws.

LORD ROBERT CECIL: That is a very different matter.

Mr. MASSEY: Yes, it is a different matter to imposing additional duties on present enemy countries in connection with the Suez Canal, I know; but still, the result would be the same, and if something was done in that direction it would give us an advantage which we do not possess at present. Half a century or so ago—I am not sure of the exact date—the navigation laws then in existence were practically wiped out, leaving us in this position to-day—that when this war comes to an end, there is nothing to prevent Germany or any other enemy country sending its ships

Mr. MASSEY—*cont.*

to trade between British ports. No other country would allow anything of the sort. America would not think of it for one moment. Only American-owned ships can trade between American ports, and I think I am right in saying that only French-owned ships can trade between French ports. I am speaking now of French possessions in other parts of the world—and in speaking of America I am not speaking only of the United States, but of United States possessions in any other part of the world. Take the islands in the Pacific, for instance; no ships, except American-owned ships, can trade between, say, San Francisco and the islands which America possesses in the Samoan Group. Take Honolulu, for instance, though I was thinking more particularly of Pagopago, which is an island with a very small population but a very good harbour. There is an illustration of what is going on. We allow them to come along—German-owned ships, ships owned by Austria, or by Turkey, can come along directly this war ceases and commence to take up trade which should belong to British ships. We have been far too generous in these respects in past years, and I think the time has come when we should reconsider our position, in connection with Empire matters, as regards the rights and privileges we have granted to outsiders, many of which rights and privileges should be reserved for British citizens themselves. I take the opportunity of making this suggestion because Lord Robert Cecil is here, and I have no doubt he will have the opportunity of repeating something of it to his colleagues in the Government.

LORD ROBERT CECIL: I do not know whether the Conference would think this a satisfactory Resolution, if they desire a Resolution on the subject:—"That this Conference urges the Imperial Government to investigate the circumstances affecting the Suez Canal, including international obligations, with a view to seeing if the Allies can, consistent with our treaty obligations to neutrals and the interests of the British Empire, impose differential duties upon enemy countries after the war." That indicates the policy which Sir Joseph Ward wishes pursued, but guards all our international obligations, and also—what must be considered, no doubt—the interests of the British Empire, because, after all, we do not want to cut off our nose to spite our face.

Sir JOSEPH WARD: I think, Lord Robert, with all due deference to you, that that Resolution means that we would not do anything. I recognise your wisdom in putting it in that way, but that practically means this Conference passing a Resolution saying that in view of treaty obligations nothing can be done with regard to the Suez Canal.

LORD ROBERT CECIL: No, no; nothing without regard to our treaty obligations.

Sir JOSEPH WARD: I think I would prefer not to move that Resolution, because, if I may say so, if you hold out the olive branch to the neutral countries, some of whom have treaties with us regarding the Suez Canal, and suggest to them that they should continue as they are, the obvious answer will be, "Yes, we will go on as we are—that is, we will do nothing." I realise that we can pass nothing here without full recognition of the necessity of the British Government fulfilling their treaty obligations—that I recognise fully—but if we are to pass a Resolution that everything is to be done upon the basis of existing treaties, I think it would be better to pass no Resolution at all. I am afraid that is how it stands.

LORD ROBERT CECIL: I have taken the words suggested to me by Mr. Cook.

Sir JOSEPH WARD: I suggest that if we pass a Resolution we pass one that in the opinion of this Conference it is desirable that the British Government should after the war endeavour to arrange for differentiation in charges for the use of the Suez Canal as against enemy countries, and not a general Resolution passed simply asking that you should go into it. If the treaty obligations are such that the British Government cannot get them altered, I recognise that at once.

Mr. COOK: Sir Joseph, if you look at it, the Resolution amounts to this—that this Conference is in favour of tearing up our treaties.

Sir JOSEPH WARD: I am not in favour of doing that.

Mr. COOK: That is what it means. That is the trouble.

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DIFFERENTIAL SUEZ CANAL DUES: ORDER
OF BUSINESS.

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Mr. MONTAGU: I could not accept Sir Joseph Ward's suggestion, because I think there are two things we have to guard against—the one which was mentioned, tearing up treaty obligations without the willingness of our Allies, and the other thing we have to avoid is doing ourselves harm. We have now got, I am glad to think, free access to the Suez Canal; we also have free access to the Panama Canal, and we shall continue to enjoy it. Do not let us start doing something which might have the effect of depriving us of that, because that would be just as serious to us as penalising our enemies in regard to the Suez Canal would be to them. Lord Robert Cecil's Resolution brings both in—both the interests of the Empire and our treaty rights—and if, upon investigation—I am not speaking wholly ignorantly, because the country which I represent is particularly interested in the Panama Canal as well as in the Suez Canal—it is proved that the apprehensions about the Panama Canal are not well founded, then by all means let us go on; but I do not think we ought to stand solely upon our treaty rights without making provision for the other.

Mr. BALLANTYNE: I hope Sir Joseph Ward will agree not to move a Resolution in the way he has suggested. I would like to remove the impression that Canada shies away from difficult questions—it has never been Canada's way to do that—but in view of the very lucid explanation placed before the Conference by Lord Robert Cecil and the complexity of the question, I think the Conference would be acting wisely in not passing a Resolution at all, but in leaving the matter entirely in the hands of the Imperial Government. It is a very large and wide question.

Mr. LLOYD: There is just one point which occurs to me. I should hesitate to support any Resolution which would contain a suggestion to the American Government to go and do likewise with regard to the Panama Canal.

CHAIRMAN: What you want to decide in the first place is whether you will have a Resolution at all, or whether Sir Joseph Ward will be content with the discussion of the matter—the very interesting debate we have had—and the statement from the Foreign Office, and leave matters there for the present.

Sir JOSEPH WARD: I would like to see that Resolution of Lord Robert's.

CHAIRMAN: What I am afraid of is not concerned with the particular subject under discussion, but I am always rather suspicious of passing Resolutions which are drafted hastily in endeavouring to meet differing views. However able the draftsman, he is apt to land you in difficulties which you do not see at the moment, and I should have been very glad if the Conference could have rested content with the discussion, which has been very important, and which has elicited a very full and grave statement from Lord Robert on behalf of His Majesty's Government. If we could have left it there without a Resolution, I think it would have been the wise course for the Conference to take. That is my opinion.

Sir JOSEPH WARD: In deference to Lord Robert's and your opinion, Mr. Long, I am quite prepared to take the course which is suggested. I do not wish, in view of what Lord Robert has stated, to press further my view unduly upon the Conference. It is a matter about which I feel very strongly myself, but I am quite content to leave the matter where it is for the present. I feel quite sure that the British Government will do all they can to help the British Empire; I am quite satisfied as to that. This is not the first time I have brought the matter up, because long before the war I was on the same job. I fully recognise the difficulties that exist with regard to treaties, and I pay every respect to the very important statement made by Lord Robert Cecil. I recognise quite well the difficulties in the way, and rather than embarrass anybody by pressing my Resolution, I am quite content, after having heard the full discussion, and recognising the great difficulties pointed out by Lord Robert Cecil, to let the matter stand as it is for the present.

Order of Business.

CHAIRMAN: Shall we take Medals now? I understand there is agreement on that question.

Mr. MASSEY: There is no agreement as far as I am concerned.

CHAIRMAN: If there is not agreement, we will take it after luncheon.

[At this point the Conference adjourned until 3 o'clock.]

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CHAIRMAN: India is not here, but I think we ought to begin. We come now to the adjourned question of Medals. We have the Adjutant-General present (General Macready) and Sir F. Ponsonby, and also Admiral Palmer from the Admiralty. The proposal made by the War Office is now before the Conference, as the result of the adjourned consideration of the question. Perhaps the Adjutant-General would, first of all, like to make a statement.

The ADJUTANT-GENERAL: I might simply give the result of yesterday's meeting. We had a meeting at my office yesterday, at which representatives of Australia, New Zealand, Canada, and Newfoundland were present. And the proposal put forward, after some discussion, was that an Imperial decoration should be given to the Dominions, that is to say, Australia, New Zealand, Canada, South Africa, and Newfoundland, to commemorate the participation of the Dominions and Colonies in the Great War, the Dominions to decide upon an emblematic ribbon for their own troops. The conditions laid down by the Dominions and Newfoundland were to be so far analogous to those of the 1914 Star as to confine the decoration to a limited number of soldiers who had taken part in certain operations, or served during a period, to be decided upon by the Dominion or Colony concerned. That is as far as it has gone. I will read this Memorandum of the proceedings:—

"The Adjutant-General presided at a meeting of the Representatives of Australia, New Zealand, Canada, and Newfoundland. Representatives of the Admiralty were present.

"The Representatives of Australia, New Zealand, and Newfoundland expressed themselves satisfied with the idea of an Imperial Decoration to be given to Dominion and Newfoundland troops under conditions which would be supplied by the Governments of those Dominions.

"The Representative for Canada agreed generally, but asked for further time to consider.

"The proposal now put forward is that an Imperial Decoration should be given to the Dominions (Australia, New Zealand, Canada, and South Africa) and Newfoundland, to commemorate the participation of the Dominions and Colonies in the Great War. The Decoration to be identical for all oversea troops.

"The Dominions to decide upon an emblematic ribbon for their own troops.

"The conditions laid down by the Dominions and Newfoundland to be so far analogous to those of the 1914 Star as to confine the Decoration to a limited number of soldiers who had taken part in an operation, or served during a period, to be decided upon by the Dominion or Colony concerned."

Mr. MASSEY: I may say that I am somewhat surprised at what has taken place, Mr. Long. I will tell the Conference why. You will recollect, sir, that we had a lengthy discussion on this subject of war medals at the last Conference, occupying practically two days, and no decision was arrived at, because the War Office came forward with no definite proposal, and nothing was done. We came to the conclusion—we representing the Dominions—that nothing was going to be done in the way of providing recognition for those oversea soldiers—I am speaking practically of oversea soldiers—and I suggested at the time, and I am willing now, that recognition should be given to the Imperial soldiers who took part in the Gallipoli campaign. I say that so that it may be clear. But at the end of the Conference, practically as the last business—judging by the Report I have before me—the question of medals came up. And I asked this question, and I want to ask it again now: "I want to ask the Adjutant-General whether he sees any difficulty in the way of a Dominion Government providing any special recognition for any part of the campaign or war in which their soldiers are specially concerned?" That was because we realised it was impossible to move the War Office, and we had to do it ourselves. The answer from Sir Nevil Macready was:—"I could not answer that."

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Mr. MASSEY—*cont.*

Then I asked again: "Is there any special difficulty?" And the answer to that was: "It is a question for His Majesty." Then the discussion went on thus:—

(Chairman.) It will have to go to the King. All medals come from His Majesty.

(Mr. Massey.) What about clasps?

(Sir Robert Borden.) They go with the medal.

(Sir Nevil Macready.) They go with the medal. There is a medal with the King's head on it and clasps.

(Mr. Massey.) I understand that, but is the Royal permission necessary before a clasp can be issued in the way I have suggested?

(Sir Nevil Macready.) Yes.

(Chairman.) Certainly.

(Mr. Massey.) That is all right, I was only asking for information.

Now it was left at that, and I reported what had been done to the Defence Department of New Zealand and to the Defence Minister there, and I have no doubt it was also reported to the Defence Department of Australia and to the Defence Minister there too. A correspondence at once commenced between the two Departments, a good deal of which I had the opportunity of seeing, and at last an understanding was arrived at with regard to a ribbon and a star.

Mr. HUGHES: A ribbon and star.

Mr. MASSEY: Yes, a ribbon and star. The ribbon was submitted to the New Zealand Cabinet, at all events, and an agreement was arrived at between the Department in Australia and the Department in New Zealand. Again, it came up when we met here. And I agreed that all that was wanting was an agreement on the part of Australia, through Mr. Hughes. Mr. Hughes had ventilated it. I thought the thing was done and finished, that it was complete. The consent of the King was asked, and was forthcoming; it was given. Now, to our intense surprise, this is brought up again, after it had been practically decided, and I do not know how long it is going to remain open. We know something of these things. It was mentioned the other day that the Waterloo medal was issued fifteen years after the battle of Waterloo, but I hope it will not be as bad as that this time. I want to know what, really, is the proposal.

Though this is going to be an Imperial decoration, there is not a word about the Imperial troops, and I think, if there is to be an Imperial decoration, it should go to the Imperial troops as well as to those from Australia and New Zealand. If not—I have not consulted with Mr. Hughes since we heard the new proposal—I say we should be prepared to stand where we are. We do not want any invidious distinctions of that sort. I shall be glad if the decoration goes to the whole of the troops who took part in the Gallipoli campaign, irrespective of the period at which they landed. I was quite clear in my mind as to what was meant by this first proposal. It was that the decoration should only be given to those troops who landed in Gallipoli in 1914. But that will not do at all. Personally, I will have nothing to do with that, because the greater part of them landed in 1915, and those who took part in the campaign of 1915 are as much entitled to the decoration as those who fought in 1914, and they fought just as valiantly. I know great value is attached to this decoration by these men, and I am exceedingly anxious they should have it, for the reasons mentioned on the first two occasions, one important reason being that this was the first occasion on which troops from the overseas Dominions took part in European warfare. In any case, it would be unfair, and it would be wrong on my part to undertake to do it, without consulting with my colleague the Minister of Defence in New Zealand, who would in turn consult his staff. I would like to hear what Mr. Hughes thinks of it.

Mr. HUGHES: Mr. Long, I have only just seen this Memorandum of the proceedings which took place yesterday. The second paragraph sets out that the representatives of Australia, New Zealand, and Newfoundland expressed themselves satisfied with the idea of an Imperial decoration to be given to Dominion and Newfoundland troops under conditions which would be supplied by the Governments of those Dominions. Well, I do not object to an Imperial decoration being given to Imperial, or British, or any other troops who took part in that campaign, or in any

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other, but I am entirely at one with my friend, Mr. Massey. The matter of an Anzac star and ribbon has been the subject of negotiation for some months—a year nearly.

Mr. MASSEY: More.

Mr. HUGHES: And we have come to the British authorities—the Army Council—and the Adjutant-General stated the other day that the Army Council had no objection whatever to the issue of that decoration. We have accepted it, both New Zealand and Australia. There the matter stands, as far as we are concerned. I agree with Mr. Massey, it is finished. Now, if you are going to bring up anything else, do not let us mix it up with that, which is a *res gesta*. I do not want it reopened and overloaded with other proposals, and the effect of which would be that we should hear no more of it, or very little. As for our part, we stand by the spirit of the bond. An agreement has been arrived at between the British Government and our respective Governments for the issue of a star and ribbon. The pattern, and so on, of the decoration have been agreed upon, and nothing remains now but its issue. I think that is the position.

Mr. MASSEY: Yes, that is the position.

Mr. HUGHES: There the matter ends, as far as I am concerned. If we are to be asked now to consider the question of an Imperial decoration, I do not think that this is the place to bring it forward. If there is to be an Imperial decoration let the British Authorities issue it. We are not to decide what the British troops should get; that is for Great Britain, of course. Our position is, that the troops of Australia and New Zealand who took part in the Gallipoli campaign should receive a star and ribbon. That has been agreed upon, and there is an end of it.

Mr. COOK: What meeting is this that is referred to?

Mr. HUGHES: I do not know. I am informed, by the way, by Sir Robert Garran, who held a watching brief—to use the language of my noble profession—yesterday, and he said he did not assent. He, perhaps, nodded, but even Jove nods. He did not assent. I do not know what the New Zealand representative did; perhaps Mr. Massey can tell us.

Mr. MASSEY: I think, from what General Richardson supplied me with, that he was favourably inclined to the proposal, on certain conditions.

Mr. HUGHES: That is, to the Imperial decoration.

Mr. MASSEY: Yes.

Mr. HUGHES: But that is not a substitute; that is in addition.

Mr. MASSEY: If it is an addition, there is nothing more to be said. I will read you what he said: "General Macready will submit proposals making a star an Imperial decoration, for issuing to all overseas troops on conditions which the respective overseas Governments may decide, and their decision shall be final."

Mr. HUGHES: However, on behalf of Australia, I decline to be bound by anything which was done yesterday. I am standing on what was done and what was agreed to between the British Government and the Australian Government.

CHAIRMAN: I gather that only Australia and New Zealand are concerned with the decoration. You are not concerned with the Gallipoli decoration, Mr. Lloyd, are you?

Mr. LLOYD: Yes. I would like to draw attention—it is only a small matter—to the form of this report of the meeting yesterday, in making a distinction between the Dominions and Newfoundland. It says, "Dominion and Newfoundland troops." I take it that is an informality.

The ADJUTANT-GENERAL: I am sorry. That is my ignorance. It is an informal report.

Mr. LLOYD: I must say I was under the impression—at all events I gathered at that meeting—that what we did there met with the fullest concurrence of the representatives of Australia and New Zealand. That was the impression with which I left the meeting. And I, for one, gave my assent on the understanding that the decoration, which was intended originally, so far as these Dominions were concerned, to be issued as a local matter, would become an Imperial matter, and would be issued by the Imperial Authorities to all overseas troops who took part in the Gallipoli campaign. Apparently, that is a clear misunderstanding. It is exactly what we in Newfoundland would prefer.

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Mr. MASSEY: I think Newfoundland troops were in Gallipoli.

Mr. LLOYD: Decidedly. I am only objecting to the form.

The ADJUTANT-GENERAL: I ran this out the moment the delegates left the room, it was not an official document.

CHAIRMAN: It is only a matter of striking out the words "and Newfoundland." There seems to be some misunderstanding, because we understood the other day that the representatives of troops who took part in the Gallipoli campaign were not satisfied with the matter as it then stood, and would prefer that the decoration for Gallipoli should be an Imperial one, given in accordance with the wishes of the respective Governments. And that was the origin of this draft proposal, which is, of course, a substitute for the decoration to be issued by the Dominion Governments. But if the Governments of Australia and New Zealand would prefer to revert to the original proposal, of course the War Office have no objection, they will concur in that.

Mr. HUGHES: I think we are using some terms here a little vaguely when we speak of the Imperial Government. The only thing which is entitled to be so called is a body like the Imperial War Cabinet. What we are speaking of now is the British Cabinet, and the War Office, the Department which represents the British Cabinet, says, for its part, it has no objection to this, and there the matter ends. If the British Government would sanction this and approve it, it will carry additional weight with us, and we shall be very glad.

General MEWBURN: The medal issued by the Dominions themselves, to their own troops, would not be a British medal.

Mr. HUGHES: I am inclined to think it would be a British medal. The Department of the British Government which is concerned with this matter examines and makes a recommendation, and, in effect, approves it. Mark you, these troops are troops which are at the disposal of the British Government, who can say to one man "Go here," and to another "Go there." So they can say "You will have a medal."

General MEWBURN: I understood these medals were to be issued by New Zealand, Australia, and Newfoundland to their own troops, with the approval of His Majesty the King. And it would be a distinct medal from the general medal, would it not?

Mr. HUGHES: The Adjutant-General explained that quite clearly. The general medal is to be a medal given to everybody who was in uniform.

The ADJUTANT-GENERAL: Quite right.

Mr. HUGHES: And there would be, in addition, a different medal, which would have clasps, as determined.—

The ADJUTANT-GENERAL: Those who were in a theatre of war.

Mr. HUGHES: And the question of clasps would be decided by a Committee?

Mr. BALLANTYNE: You would not favour one medal showing distinguishing bars, such as a bar for Gallipoli?

Mr. HUGHES: Not unless it is an additional one. I have tried to explain that the position of the British troops who took part in the Gallipoli campaign is entirely different from ours. It was really the first time Australia and New Zealand had taken part in a great war.

Mr. BALLANTYNE: But the South African war was your first.

Mr. HUGHES: That was not a great war like this. This is different entirely.

Mr. BALLANTYNE: Supposing all the oversea Dominions said, "We would like a special medal for our troops," would not that be rather invidious?

Mr. MASSEY: That would not do.

Mr. BALLANTYNE: We do not want it. So far as we are concerned, whatever the Imperial medal is, it will satisfy the Canadian troops.

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Mr. HUGHES: You must have regard to circumstances. You give one man a medal, you withhold it from another, and the authorities proceed upon the same principle: one man is noticed, another man is not. One deed may be as great as another, but its effects may be different. And our Gallipoli campaign has a distinctly different effect, and a different aspect, from that of our European campaign. Our troops have been exposed to greater dangers in France and Flanders than in Gallipoli, but Gallipoli is quite different. We do not ask for a decoration for Mesopotamia and the other campaigns.

General MEWBURN: There is the Mons star, and that is the only Imperial distinction.

Mr. HUGHES: The Adjutant-General says it is confined to the Imperial troops.

General MEWBURN: That is up to the end of December 1914.

The ADJUTANT-GENERAL: Midnight 22-23 November 1914.

General MEWBURN: There are very few other than Imperial troops who have the Mons star.

Mr. HUGHES: Very few—practically none.

CHAIRMAN: This is a proposal to repeat the Mons precedent.

The ADJUTANT-GENERAL: Yes—to use one of Mr. Hughes's phrases, to celebrate the birth of a nation, the entry of the Dominions into a great war.

CHAIRMAN: I understood the idea of the War Office was that as the Mons 1914 star had been established for the troops that took part in the campaign between the 4th August and 22nd-23rd November midnight, it was suggested, on reconsideration, that a decoration, to be the equivalent of the Mons star, should be issued which would include all the forces from the Dominions, and other forces, of course.

The ADJUTANT-GENERAL: No, only the Dominions. We cannot extend it to the British forces, only to the Dominions.

CHAIRMAN: And that would carry a clasp for Gallipoli?

Mr. HUGHES: I think the decoration loses all its virtue when you object, for some reason or another, to confining it to Australians, New Zealanders, and Newfoundlanders, and propose to extend it to all Dominion troops. Why do you stop there? You say you are not satisfied to restrict it to Australians, New Zealanders, and Newfoundlanders: you want to extend it to the others. Then why not extend it? Why not extend it to all the British troops who fought in Gallipoli? You object to that. Why? It is not our business to enquire. But you do. And therefore I think we had better sit fast on what we have agreed.

Mr. MASSEY: My position is perfectly clear. I could not agree unless I consulted with the New Zealand Defence Minister as to what has taken place, after all the work we have done out there. I could not do it. I do some things on my own account occasionally, but not such a technical thing as this.

Mr. MONTAGU: The last paragraph of the Memorandum says the Dominions can lay down any conditions they like to define. Therefore, if the Commonwealth of Australia were to say to the War Office, "We want it confined to soldiers who took part in Gallipoli," they get it. Mr. Massey can do the same thing. The only difference between this and what we were discussing the other day is, that it is given by the War Office from here, instead of giving it in the Dominions. Is that right, Mr. Hughes?

Mr. HUGHES: I do not know whether it is right or not. After all, why should we discuss a matter which, so far as we are concerned, is settled? We do not get any forwarder with this at all.

General MEWBURN: As I understand it, Australia, New Zealand and Newfoundland settled at the previous Conference what the decoration should be, and it had the approval of the War Office and His Majesty the King.

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The ADJUTANT-GENERAL: Not with our approval. We finally gave in at the last meeting.

General MEWBURN: The medal would be issued by the Dominions themselves to those troops who fought in Gallipoli. I do not see that the other Dominions have anything to say about it.

Mr. HUGHES: It is only proper to say that this had the sanction of the British Government, because the communications passed, of course, through Mr. Long.

General MEWBURN: And that was approved, as I understand.

The ADJUTANT-GENERAL: We quite approved of that proposal. If I could, I would like to clear up this difficulty. When we had the last meeting here, I came, as a representative of the War Office, thinking that the arrangements which had already been approved in regard to the decoration which had been arranged between the Governments of Australia and New Zealand were simply going to be ratified—that the thing was all done. At the discussion at this last meeting here, I gathered that there was a wish—certainly the representative of Newfoundland came in, I think for the first time on that occasion, to participate in that, and several references were made to the Dominions as a whole having some decoration to mark, I think Mr. Hughes's words were, "the birth of a nation." There were several references of that kind. It was in order to meet that, and to see what could be done in the direction, that we had this informal meeting the other day, not to see whether it could be extended, but purely and simply to try and meet the wishes of the various Dominions. If matters are to stand as already arranged for the decoration which is approved, with a ribbon for Australia and New Zealand, and that is final, the thing is done as far as the War Office is concerned. We are simply trying, if an enlargement is made to other Dominions, to find a way out of the difficulty. That is the whole point. As regards the British troops, that is, of course, a matter purely for the War Office, and the War Office attitude in that respect is, that they will get two medals at the end of the war, and those who were lucky enough to have been there at the start will get the 1914 star. Beyond that, with the exception of clasps to the medal, we are not prepared to go. But it is clear about the oversea decoration, whatever the official name may be. I understand that was the wish, and we are simply trying to meet it. Therefore the proposal is, that if it is to be extended to the other Dominions, that each Dominion should let us have, at the War Office, their conditions. The Australian and New Zealand idea probably was, that every man who landed at Gallipoli should have it, and probably Newfoundland would say the same. Canada, if they wished, would say their first contingent for Europe. South Africa might choose their troops in South West Africa, or their first contingent to Europe. I am trying to put the position to you. And those conditions would be embodied in the Army Order, the decoration given for so and so. If there is no extension the thing is settled, so far as I am aware.

Mr. MASSEY: It was settled as far as New Zealand and Australia were concerned, only Mr. Hughes's consent had not been officially given. I want to know where we are. Does the War Office intend to give this decoration to the whole of the men who landed in Gallipoli? I am speaking of Australia, New Zealand, and Newfoundland. Please understand I am not speaking in any antagonistic spirit. I prefer that it should not be re-opened, but I want to know exactly where we are, now it is reopened. Do you intend to give it to the whole of the men who landed in Gallipoli, or to confine it to the men who landed before a certain date?

The ADJUTANT-GENERAL: We should give it to your men, to the New Zealand troops, under the conditions which you will give us. And the same with regard to Mr. Hughes. We shall accept your conditions.

Mr. HUGHES: There is no objection to that, so far.

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Mr. MASSEY: When do you propose the issue shall be given? These are official questions given to me to get an answer to.

The ADJUTANT-GENERAL: We propose that you should, if possible, make the star yourselves.

Mr. MASSEY: Yes, I think so.

The ADJUTANT-GENERAL: This medal question is a very big one. We have not begun to do it, but we have our plans drawn up. We propose to break away from the old idea by which all these decorations were made by the Mint. They cannot do it. We have already got contracts out as regards Great Britain, and what we suggest is, that, the design having been finally approved, the various Dominions should make their own, if possible. That would help us considerably.

Mr. BALLANTYNE: Mr. Massey, may I ask for a little information? The New Zealand troops who have fought in Gallipoli, I understand, will have a distinguishing medal. What kind of medal?

Mr. MASSEY: Not a medal, a star.

Mr. BALLANTYNE: What will your troops have who have been fighting in France?

Mr. MASSEY: The general one.

Mr. BALLANTYNE: Will not there be some jealousy? Have not your New Zealand troops fought in France as well as in Gallipoli? Suppose I was unfortunate enough not to have been in Gallipoli, but I had fought in France, the man who had been in Gallipoli would have a star and I should not? I should feel a little jealous.

Mr. HUGHES: That is what the British "Tommy" says. He says "You went out there in November, 1914, when the war was not as severe as it is now, and you get a medal, that is, the Mons star, but I do not get anything."

Mr. MASSEY: I do not think there will be jealousy.

Mr. BALLANTYNE: It is not our affair, of course.

Mr. COOK: There are distinctions. Anzacs all wear the "A" on the shoulder.

General MEWBURN: Do I understand, assuming that a medal is going to be issued by New Zealand and Australia, that a medal will be issued by those Dominions and not by the British Government?

Mr. MASSEY: It becomes Imperial.

Mr. ROWELL: This proposal is, in effect, to make it so.

General MEWBURN: The Adjutant-General says in this Memorandum "The proposal now put forward is that an Imperial Decoration should be given to the Dominions—Australia, New Zealand, Canada, and South Africa and Newfoundland—to commemorate the participation of the Dominions and Colonies in the "Great War." Will that Imperial decoration be confined to Dominion troops, and not to be given to British troops?

The ADJUTANT-GENERAL: Yes.

General MEWBURN: I think that is a very great mistake. Do you mean that our troops fighting in Flanders besides the Guards will get a different medal from the British troops?

Mr. HUGHES: I think that is an unfortunate distinction.

Mr. MONTAGU: I do not want to bring in any new controversy, but apart from British troops there are the Indian troops.

General MEWBURN: The Canadian troops in 1914 numbered 50,000.

Mr. MONTAGU: But why could not they be the same as the British?

General MEWBURN: They are all British troops.

Mr. MASSEY: I understood all the Dominion troops were to participate in this, and I made it clear a year ago that all the remarks I made applied to the Indian troops as well as to Australia and New Zealand.

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General MEWBURN: What I would like to see would be an Imperial decoration for all troops fighting under the British flag, which would include India and everywhere else. But I think if Australian, New Zealand, and Canadian troops get a separate decoration from what we know as Imperial troops here, it will create a very nasty feeling.

Mr. BALLANTYNE: Why do you not strike one medal for the Imperial and Dominion troops? Our men are perfectly satisfied and greatly honoured by wearing the Imperial medal which goes to the British soldier. That is all that we want. According to this, is Canada going to have the same medal that your troops are going to have?

The ADJUTANT-GENERAL: No, not according to the proposal of the grant of an overseas decoration for overseas Forces only.

Mr. BALLANTYNE: Why not?

The ADJUTANT-GENERAL: The idea was to extend what I may call the Birth of a Nation, to commemorate the coming in of the Dominions to the Great War.

Mr. BALLANTYNE: All that Canada wants is the same medal as the Imperial troops.

Sir JOSEPH WARD: If we go back to the same position we were in last year, does it not put everything right? Everybody would evidently then be satisfied.

The ADJUTANT-GENERAL: Yes—that is, the decoration as already approved and settled for the Australian and New Zealand troops, under the conditions laid down by them. That is all right, and if that is the desire, as far as the War Office is concerned, we are perfectly happy.

General MEWBURN: Leave that aside, and allow a medal for all the troops which took part in the European war.

The ADJUTANT-GENERAL: There is a medal already proposed.

General MEWBURN: But it is that there is to be a distinction between the British and the Dominions. One medal with a bar for each year, if you like.

Mr. BALLANTYNE: Let it be understood that, as far as our country is concerned, whatever your medal is, that is satisfactory to Canada.

General MEWBURN: Perfectly. I do not think there should be so many distinctions.

Mr. HUGHES: I think if we discuss this till the crack of Doom we shall not get through it. The war will be finished before we come to a decision. I am going to stand on what we have got.

CHAIRMAN: You adhere, Mr. Hughes, to the original proposal?

Mr. HUGHES: Yes.

CHAIRMAN: And you, Mr. Massey?

Mr. MASSEY: Yes.

Mr. LLOYD: As far as Newfoundland is concerned, yes.

CHAIRMAN: That a star and ribbon be issued, as approved by His Majesty, to be issued by those three Dominions, to the Dominion troops who took part in the Gallipoli campaign.

Mr. BURTON: This is where I come in. I do not know that the actual form of the medal is a thing which we need make a fuss about, but what I said before I repeat. If you are going to give a medal for a particular campaign, you must give it for all. If you are going to give a Gallipoli medal, you cannot refuse a medal for other campaigns.

CHAIRMAN: This is a star.

Mr. BURTON: Well, a star. Why give a star for one thing and not another?

Mr. BALLANTYNE: There is not any difference, whether the troops are fighting in Mesopotamia or Gallipoli.

Mr. BURTON: One thing may have more importance than another, but men fight and die as gallantly on one field as on another.

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Mr. HUGHES: Very well. Tell us why the men who took part in the Retreat from Mons have got a star, and nobody else has.

Mr. BURTON: You must ask the British Government, not me.

Mr. MASSEY: The original proposal was that the star and ribbon should be issued by the Governments of the countries to which the troops belonged.

Mr. BURTON: Their own star?

Mr. MASSEY: Yes.

Mr. ROWELL: We said the other day that if the Governments of New Zealand and Australia desired to issue a star to their own troops, we did not mind.

Mr. BURTON: Is that correct? That they should be issued by the Dominions themselves?

CHAIRMAN: I am not familiar with these subjects, but it is very important to stick to certain words. The idea is, that this star and ribbon will be issued under the authority of the War Office, but they will be bestowed on the recipients by the Governments of the respective nations.

Mr. ROWELL: That is not the way, if I recollect, in which it was put to us the other day. The statement the other day was, that it was on the basis—

CHAIRMAN: His Majesty's Government have no objection if you prefer to pay for the medal yourself and the ribbon, by all means do so. The idea was that it should be paid for by His Majesty's Government in conjunction with the other decorations issued in the war, and that it should be left to the Governments of Australia, New Zealand, and Newfoundland to select the recipients, and the conditions on which it would be bestowed.

Mr. HUGHES: Yes, that is it.

CHAIRMAN: If you want to pay for it, by all means do.

Mr. MASSEY: There is a very great deal more in it than that. Where do Canada and South Africa come in if it is going to be paid for by the Imperial Government?

Mr. HUGHES: They are not taxpayers of His Majesty's Government here.

Mr. MASSEY: Some portion of the objection came from Canada and Australia last time, and it was to get over that that the suggestion was put forward to do it ourselves.

Mr. HUGHES: I am standing fast by what Mr. Long said. It was what we agreed on in Melbourne. We considered it over and over again there, and we arrived at a conclusion. We accepted the suggestion put forward, and I am standing on it.

Mr. MONTAGU: I should like to stand by the last three paragraphs of the Adjutant-General's Memorandum.

Mr. HUGHES: It is a medal which His Majesty has approved, and His Majesty's Government is going to pay for it, and we are going to determine who is to get it.

CHAIRMAN: Yes, that is it.

Mr. MONTAGU: These three paragraphs seem to meet everything that is required. Under the last paragraph New Zealand, Australia, and Newfoundland can recommend that the recipients of these medals shall have taken part in the Gallipoli campaign. Mr. Burton's Government can recommend that the recipients of this medal shall be those who have taken part in the African campaign, or those who have taken part in any operation. Canada can recommend that it shall be given for any campaign they choose, or none. It will probably, in effect, after what Canada and South Africa have said, be confined to Gallipoli, and I should like this recommendation very much better if India was mentioned.

Mr. BURTON: I am afraid we can go on for ever with this. We shall be sitting next month. Cannot we get on to some simple issue about the matter? Is there any objection to our having the medal or decoration issued to the British Imperial troops given to our own people too? What is there to object to in that?

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CHAIRMAN: That is what you will get.

Mr. BALLANTYNE: Australia wants, for her Gallipoli troops, a distinctive mark; they want a star because they happened to fight there, instead of on the fields of Flanders.

Mr. BURTON: Have I got it right at last? Is there to be a general decoration throughout for all men who took part in the war?

Sir F. PONSONBY: There will be two medals, one a British medal, the other an International medal, which latter will be given to any man who fought in any theatre of war. In addition to that, this star is wanted for the Gallipoli campaign, additional to the two medals.

Mr. COOK: And, in addition, there is the Mons medal.

CHAIRMAN: We are not discussing the medals which are to be given; we have nothing to do with the medals which are to be given for the campaign as a whole. This discussion is connected solely with the local question how you are to commemorate certain parts of the campaign. Australia and New Zealand claimed last year, for reasons which were given frequently, that the Anzac campaign, the Gallipoli campaign, has become historical, in more ways than one. And then it was suggested that if you commemorate a particular battle, or a particular incident in the great war, you would have to go beyond Gallipoli and take, for instance, the great battle in which the Canadians distinguished themselves and saved the situation on the retirement before Ypres. This discussion is in regard to decorations for particular Dominions.

Mr. BURTON: Then the position is this, if I understand it rightly. There will be these medals, the British and the International medal, for all men who have taken part in this war?

The ADJUTANT-GENERAL: Yes.

Sir F. PONSONBY: And there will be clasps on the medals.

Mr. BURTON: And there will be no distinction between British troops here and Imperial troops?

Sir F. PONSONBY: None.

Mr. BURTON: And these are to be additional decorations for the troops, which you will issue and which we will ask shall be given to certain men.

CHAIRMAN: Yes.

Mr. BURTON: Then I am satisfied.

Mr. MASSEY: Is this going all round the Dominions? Our decision will depend on that. If that is going all round the Dominions, we shall ask them to pay for ours as well as for the others.

Mr. HUGHES: No.

Sir JOSEPH WARD: Is not the position we are in at the moment a little inconsistent with where we were last year? Last year it was clear, when the matter of a separate medal for New Zealand, and a clasp, cropped up, it was to get over the very difficulty which is now suggested by the inclusion of other parts of the Empire for a special medal or a special distinction. And it was understood here that the two medals referred to—a British and an International medal—were, in addition, to be issued to everybody. And, to meet the aspirations of Australians and New Zealanders who fought in Gallipoli, since known as Anzacs, it was decided that the Governments of those countries were to have the right to a separate clasp or star, indicating that those men had fought in Gallipoli. That was the position. Now we come to suggestions of a different character, and it is that which is giving rise to an extension of the condition which was applied to Australia and New Zealand. Now the suggestion is to make it an all-round one. That is what the last paragraph of this Memorandum does.

CHAIRMAN: Yes.

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Sir JOSEPH WARD: If it is intended to be so, we should understand it. As far as Australia and New Zealand were concerned, we settled it, as it affected us, last year, and it was said that a British medal and an International one were to be issued to everybody. And now everybody is to be put in a position of right to have a distinctive medal or clasp or star, marking certain engagements, or certain places where they fought.

Mr. HUGHES: For Gallipoli.

Sir JOSEPH WARD: This proposal is for it to be extended all round, with which I must confess I am in full sympathy.

CHAIRMAN: I thought this Memorandum had been withdrawn. It does not meet with the general wish; therefore it is withdrawn, and we revert to the original position.

Mr. ROWELL: If the original position is what we have understood it to be, and as stated at our last meeting, the Governments of Australia and New Zealand should be entitled to give special medals to their own troops who have served in Gallipoli, a decoration to be approved by His Majesty the King. To that we said "All right." We had not the least objection. It was a matter between these Governments and their own troops, subject to the decoration being approved by His Majesty. And that is how it reads, the official statement, as read by you, Mr. Chairman.* It was that some recognition should be given by Australia and New Zealand to the men who were there in 1914, and who afterwards took part in the operations at Gallipoli, and so on. To that we have no objection. But if the suggestion now is that the Imperial Government should issue a special decoration—

Mr. HUGHES: The British Government.

Mr. ROWELL: — a special decoration for the troops who were in Gallipoli, we should have to take the position which Sir Robert Borden took a year ago, and which Mr. Meighen took up at this Conference,† when he said, "If one campaign is to be distinguished, you must distinguish it for another, carry it down the line, otherwise we shall have to go back to Canada and say, 'We supported a special decoration for soldiers in Gallipoli, but we did not think it worth while to ask for a decoration for the Canadian troops, who saved the road to Calais.'" Mr. Meighen said that would be an absurd, an impossible, and a humiliating position. All we want is, that if Australia and New Zealand wish to give their own particular decoration, there is no objection, but any decorations which are given by the War Office, by the Imperial Government, should be given to all alike, on the same basis. That is our position.

Mr. MASSEY: Nobody objects to that.

General MEWBURN: I understand they are willing to accept it.

Mr. HUGHES: We have arrived at the position now, that a matter with which this Conference has nothing to do is before it.

Mr. MASSEY: I do not know how it came up; I do not understand how it comes up now. I was away when it came up.

Mr. HUGHES: It is one of those things which nobody can understand.

CHAIRMAN: It came up on the decision, on the last discussion, that the matter should be referred to a Committee, presided over by the Adjutant-General, and represented by the different Dominions.

Mr. MASSEY: Last year?

CHAIRMAN: No, the other day.

Mr. MASSEY: How did it come up in the first instance, as far as this Conference is concerned? I did not bring it up, and I did not hear any other Dominion representatives bring it up.

CHAIRMAN: It was raised on the 15th of July. The War Office had some fresh proposals to make, but I do not think there was any Resolution.

* Proceedings on 10th day: see p. 109.

† *Id.*, p. 110.

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Mr. BALLANTYNE: May I ask what you mean by a "British medal" and an "International medal"? We understand that there is to be one great medal struck by the British authorities for this war.

Mr. MASSEY: That is understood and agreed upon.

Mr. BALLANTYNE: But it was mentioned that there was to be a British and an International medal. What do you mean by an International medal?

The ADJUTANT-GENERAL: It is one which all the Allies will have in common, and each Ally will distribute it according to the conditions laid down by them. The condition it is proposed to lay down for the International medal for British troops will be, that it is only to be issued for officers and men who landed in a theatre of war. The French can say, if they like, it is for all ladies as well who work on the fields.

Mr. HUGHES: They will determine who the recipients shall be.

The ADJUTANT-GENERAL: The British medal is a medal to be given by the British Government to its own people; and the idea at present is that it will be issued to every officer and man who was commissioned, or who enlisted, whether he went to a theatre of war or not.

Mr. BALLANTYNE: You are talking about the Empire now?

The ADJUTANT-GENERAL: It will go to every soldier fighting under the Union Jack.

Mr. BALLANTYNE: Supposing, in five years after the war, a review is to be held, the medal which will be on the breast of Canadian soldiers will be identical to that on the British troops here?

The ADJUTANT-GENERAL: He may get both the British and the International, or he may get only the British, if he has never been in a theatre of war.

Mr. MASSEY: It will be the same medal for the man who fought as for the man who did not.

The ADJUTANT-GENERAL: Yes, you cannot differentiate, but the man who fights gets a clasp, and so you will be able to differentiate in that way.

General MEWBURN: And, in addition, Australia and New Zealand will get their own star.

CHAIRMAN: The question of medals appeared on the agenda in consequence of a telegram I received on the 4th April from the Governor-General of New Zealand; it stated that the second matter which the Prime Minister of New Zealand desired the Conference should discuss was, that there should be a special decoration for all soldiers who took part in the Gallipoli campaign. That was put on the agenda in consequence.

Mr. MASSEY: Up to that time the difficulty had not been settled, that is to say, up to April. After that it was settled and an agreement arrived at between the two Governments.

CHAIRMAN: Had not we better decide to revert to the original position and withdraw this Memorandum?

Mr. LLOYD: I understand the position, as proposed, is that Australia and New Zealand, having arranged the matter, shall issue a medal of their own.

CHAIRMAN: No.

Mr. LLOYD: A decoration of their own then.

CHAIRMAN: No. The particular star and ribbon will be issued under the authority of the British War Office, with the approval of His Majesty the King. Having been issued under the authority of the War Office in Great Britain, it will be at the disposal of the Governments of the three Dominions concerned to bestow as they think fit, according to their own conditions, on their people.

Mr. LLOYD: That is the proposal here; I am not talking of that. That is the proposal from the War Office that we dealt with yesterday.

Mr. HUGHES: That was the arrangement arrived and concluded the day before the Conference met this year. It was arrived at and concluded between the Governments of New Zealand and Australia. That is so, Mr. Long?

24 July 1918.]

MEDALS.

[15th Day.]

CHAIRMAN: Yes.

Mr. HUGHES: On that we stand.

Mr. LLOYD: On what Australia and New Zealand are standing, they will issue a medal, which has already been approved.

Mr. MASSEY: A star?

Mr. LLOYD: A decoration. It is for soldiers who fought in Gallipoli. The point I want to make is this: should the Newfoundland Government wish to issue a similar decoration—we have made no arrangements to do so—I presume we are in precisely the same position as Australia and New Zealand?

CHAIRMAN: The War Office will offer no objection.

Mr. LLOYD: Should Newfoundland wish to issue a decoration to her soldiers who fought in Gallipoli, she can do so.

Mr. MONTAGU: And India may come along, too.

CHAIRMAN: This Memorandum by the Adjutant-General is withdrawn. Now the next subject is the Imperial Court of Appeal.

Imperial Court of Appeal.

(See pp. 202-208 of [Cd. 9177].)

SIXTEENTH DAY.

Friday, 26th July 1918.

THE IMPERIAL WAR CONFERENCE MET AT THE COLONIAL OFFICE AT 10.30 A.M.

The names of those present are printed on pp. 209, 210 of [Cd. 9177].

Imperial Court of Appeal.

(See pp. 210, 211 of [Cd. 9177].)

Control of Raw Materials.

CHAIRMAN: The next thing on the agenda is the Control of Raw Materials, brought up in consequence of Resolutions III. and IV.* This was referred to a Committee of the Conference, and we now have their report before us.† They suggest that, if the Imperial War Conference approves generally of the report, a Resolution might be passed on these lines:—

(1) The Conference having considered the Report of the Committee on Raw Materials, requests His Majesty's Government to communicate this Report forthwith to the Governments of the Dominions and India and to ascertain their views on the appropriate action to be taken.

(2) The Conference further agrees that steps should be taken to ascertain the needs and the resources of the Allies in respect of the raw materials specified in the Report.

(3) The Conference considers that the figures given in the Report as to the raw material requirements of the Empire might with advantage be used by the British Delegates at any forthcoming Inter-Allied Conference, subject to any corrections that may be made necessary by later and fuller information.

The Pacific Question.

Mr. HUGHES: Mr. Long, might I be permitted to suggest that the Pacific Question be taken now, in order that the matter may be disposed of summarily. I propose to move, if the Conference will agree, that the Pacific Question be referred to the War Cabinet. That will dispose of that, and then leave us with nothing but the matter of Raw Materials.

CHAIRMAN: The only question is whether we ought to pass a Resolution of that kind here. It is somewhat in the form of a direction to the War Cabinet. Would not the best plan be for you simply to say you are going to raise it in the War Cabinet and not here? There seems to be some doubt as to the proper procedure. We have no rules of procedure here at all.

Mr. HUGHES: Well, we could say that we request the War Cabinet to consider the matter.

CHAIRMAN: You withdraw it with that view?

Mr. HUGHES: Very well, I withdraw it with a view to raising it at the Imperial War Cabinet.

Sir ROBERT BORDEN: And in the hope that it will be considered there.

* See page xii.

† See pp. 223-257.

Mr. HUGHES: That will do very well.

Sir JOSEPH WARD: Is there any objection to an expression of opinion from the Conference, that it is vital in the interests of the British Empire that the Pacific Islands be retained by Britain?

CHAIRMAN: There is no objection to that.

Sir JOSEPH WARD: I think an expression of that kind from this Conference will be very valuable.

Sir ROBERT BORDEN: Do you not think it would be better to leave that for the consideration of the Imperial War Cabinet, as that vitally concerns the question of peace?

Sir JOSEPH WARD: Very well; I have no objection to that.

Mr. MASSEY: I should just like to say, referring to that Mr. Long, that I think we ought to remember this matter was before the Imperial War Cabinet last year, and that the Imperial War Cabinet referred the matter to a committee of which Lord Curzon was chairman, and of which I was a member. We arrived at a decision with regard to the Islands of the Pacific, which was accepted by the Imperial War Cabinet, and which stands, up to the present at all events. I am not saying that in any way as objecting to what is proposed now, but simply because Mr. Hughes was not here last time.

Mr. HUGHES: When I was in England in 1916 the matter was raised both in this Office and in the Foreign Office, so far as the attitude of Australia was concerned, and a certain line of policy was suggested.

[*Mr. Hughes here made a statement which he requested should not be recorded.*]

CHAIRMAN: Very well; then that motion is withdrawn.

[*Agreed.*]

Control of Raw Materials.

CHAIRMAN: We now come to Raw Materials. I have read the Resolution that has been suggested by the Committee, and it comes to us from Mr. Hewins, who presided over the Committee.

Sir ROBERT BORDEN: There is something here about shipping.

CHAIRMAN: Yes, that is next after this.

Mr. HEWINS: Perhaps I should say that in accordance with the reference from the Conference we considered each material in the list seriatim and directed our minds to finding, as briefly and at the same time as accurately as possible, what the problem was in each case. The reports, which are here put together, are based upon more detailed reports. They were made chiefly by Mr. Long's Ministerial Committee appointed last year to carry out Resolution XXI.* of the last Imperial Conference, and we came, in the Committee, to the unanimous conclusion that we might take the information contained in these reports as a basis of communication with a view to immediate action. I do not know that it is necessary to say more. The Resolution which has been put forward has been considered already at the Committee, and I think everybody was agreed that the action which is now being taken should be taken.

CHAIRMAN: Does any member of the Conference desire to offer any observations before I put the Resolution?

Mr. HUGHES: The only observation I desire to offer is that, with every desire to do myself justice in the way of facility for assimilating information, I am totally unable to offer any other observation than this—that the thing has been well printed, and, so far as I see, without typographical error; and beyond that I am unable to express any opinion whatever. That being so, I shall range myself alongside those who propose to vote for it. There is no good and sufficient reason that I can offer why I should do otherwise.

Sir ROBERT BORDEN: Mr. Chairman, I am very much in the same position as Mr. Hughes with regard to this. I understand, however, that one of my

* See page xvi. of Dominions No. 62.

16th Day.]

IMPERIAL MINERAL RESOURCES BUREAU:
CONTROL OF RAW MATERIALS.

[26 July 1918.]

Sir ROBERT BORDEN—*cont.*

colleagues, Mr. Rowell, has given personal consideration to it. The Resolution merely provides that the report shall be communicated to the Governments of the Dominions for the purpose of ascertaining their views on the appropriate action to be taken. When it is so communicated we shall be able to give to it that attention which we have not been able to afford up to the present time. Subject to what Mr. Rowell, from his fuller information, may have to say with regard to the matter, I am prepared to support the Resolution.

Mr. ROWELL: I have nothing to add. I was a member of the Committee and helped to frame the report, so I am naturally prepared to approve and support it.

Imperial Mineral Resources Bureau.

Mr. ROWELL: Let me just take this opportunity of mentioning a matter which, while not immediately arising out of this, is in some respects related to it. This deals with the question of raw materials, and deals with the same sphere of activity as the Bureau of Mineral Resources. I am told that that Bureau has never been called together. Our representative has been here two months, and I venture to suggest it should be convened at an early date and something done.

CHAIRMAN: I will convey what you have said to the Minister of Reconstruction.

Control of Raw Materials.

CHAIRMAN: Does any other member desire to offer any observations?

Sir JOSEPH WARD: Mr. Long, I want to take this opportunity of recording my opinion as to the value of the work that has been done, and which is contained in these Reports. I think it is so important that it ought to be recognised—at all events, from my standpoint, I feel that it ought to be recognised. These reports are dealing with close investigation into the utilisation of raw materials and other products for the benefit of the Empire, to be kept within the Empire and controlled by the Empire; and as they cover asbestos, cotton, jute, wool, hides and skins, leather, rubber, oleaginous products, lead, manganese ores, copper, nickel, spelter, zinc and its concentrates, tin and its ores, tungsten ores, mica, gold, molybdenum, and aluminium ores, I want to say that in my opinion, if the detailed work of the officials and the Committee, in addition to what is compressed into these reports, is made available for the use of the Oversea Dominions, nothing can be more valuable in helping to build up the trade of the Empire in the years to come. I was on that Committee, but I had very little to do with the detailed work; and I want to acknowledge the fine work put into it by those responsible for the different branches, and the tremendous amount of detail work which it must have involved before they could have got into a position to concentrate into those reports what they say now. I hope, and feel sure, that when the information is available for the different Oversea Governments it will be utilised and made available for the people interested in these great industries, and they will then have a clear understanding and appreciation of the efforts of the British Government, with the co-operation of the oversea countries, with a view to preventing the diversion of trade to enemy countries in the years following peace.

Just one word more. I do hope that the War Cabinet—and perhaps the Secretary of State for the Colonies might bring the matter up there—will affirm the desirability of not allowing any of the metals or any of these products which are useful to the enemy, after the oversea countries agree to concentrate them for the uses of the people in England—I do hope some resolution will be passed there to prevent the excess quantity of metals in particular going to the enemy for the use of the enemy; because if we are going to use all our powers to have them sent to Great Britain, it would be a great disappointment in the years to come to find that, through a process of filtration here, the enemy was allowed to have his requirements met, and so build up a position of strength for himself to again fight us in the future. I make these observations because, if nobody else brings it up in the War Cabinet, I will.

26 July 1918.]

IMPERIAL MEAT SUPPLIES: ENEMY BANKS AND
BUSINESSES WITH ENEMY ASSOCIATION.

[16th Day, 292]

CHAIRMAN: If no one else desires to offer any observations may I put the Resolution?

[The Resolution was put to the Conference, and carried unanimously.]

Shipping.

(See pp. 211–216 of [Cd. 9177].)

Imperial Meat Supplies.

Mr. MASSEY: Before you go to the next business there is a matter I want to bring before the Conference. You will recollect, sir, that I mentioned a day or two ago, earlier in the Conference, that with regard to meat supply I should have a statement to make before the Conference came to an end.* That was looking forward to some information from the Food Controller's Department. It was furnished to me yesterday. I want to read the letter I received. It is very short, and it is dated 22nd July 1918, from the Ministry of Food. "Sir, With reference to "Colonial Office letter of 18th July, No. 35163/18, I am directed by the Food "Controller to supply you with the following information:—(1) The quantity of "meat purchased by the Ministry of Food in the United States from 1st January to "30th June is 155,000 tons. (2) The net price per lb. paid for such meat has "ranged from 8½d. to 1s. 0½d. per lb."

Mr. HUGHES: Is that beef, mutton, or what?

Mr. MASSEY: I think mostly beef. "(3) The cost of such meat landed in "England has been from 11d. to 1s. 3d. per lb. approximately. The actual cost to "the Department before the meat reaches the retailer is increased by storage, "internal transport, commissions for distribution and other charges. I am, sir, your "obedient servant, (signed) E. F. Wise, Assistant Secretary." Now, sir, I want to call the attention of the Conference to the effect that this has had. As indicated in the letter, the quantity of meat purchased by the Food Ministry has been 155,000 tons. The cost landed in England approximately is from 11d. to 1s. 3d., or an average landed cost of 1s. 1d. It would be an average landed cost if an equal quantity had been purchased at 11d. to that purchased at 1s. 3d. But I have reason to believe that is not the case—that the greater part of the meat has cost the higher price—and not only that, but a considerable quantity of meat purchased in this way has been condemned on being landed here as unfit for human consumption. I make that statement advisedly.

CHAIRMAN: There is nobody here from the Food Control Department. I did not know this was coming on.

Mr. MASSEY: I am quite ready to have a representative of the Food Controller's Department present, because I would not say a word in the absence of the Department which I am not willing to say in their presence. So if you suggest that a representative of the Food Control Department should be present, I will postpone my remarks until his arrival.

Sir ROBERT BORDEN: Perhaps we should take other things in the meantime.

Enemy Banks and Businesses with Enemy Association.

(See pp. 216–221 of [Cd. 9177].)

The parts in [] were omitted from p. 219 of [Cd. 9177].

Sir ALBERT STANLEY: I can only say it is the decision of the Government to limit it to that period. Now may I take Merton's? I think there is some misunderstanding about Merton's. [Merton's were not wound up because] they did not come within the Trading with the Enemy Act. We had not the power to wind them up. [We tried in various ways to wind up these firms. We were quite alive to the seriousness of the position, but we had not the power.]

Mr. HUGHES: You mean to say under Statute?

Sir ALBERT STANLEY: No.

Mr. HUGHES: But under Parliament you had.

* See p. 120.

16th Day.]

ENEMY BANKS AND BUSINESSES WITH ENEMY
ASSOCIATION.

[26 July 1918.]

Sir ALBERT STANLEY: [After trying for some little time to find a way whereby we could deal with it under existing legislation, we made up our minds that the only safe course to take, and one that would avoid litigation with the firm which would possibly result in their re-establishing themselves, was to legislate to take the necessary power, and] under the Non-Ferrous Metal Industry Act of last year we took the power to refuse a licence to engage in the non-ferrous metal trade, to any firm that had any association with the enemy prior to the war, and which in the discretion of the Board of Trade should not receive a licence; and under that Bill these firms, of which there are something like 1,000 in the United Kingdom engaged in this trade, are required to make application to the Board of Trade for a licence to continue their activities. [Among the firms is Merton's and other firms having had German associations. Merton's have made application.] Under the Act they have six months to carry on. That six months lapses on the 5th August of this year, [and before that date transpires the Board of Trade will have given their decision as to whether Merton's are to continue to operate in this country or not.] For the purpose of ascertaining the facts in connection with [Merton's operations and] the operations of [other] firms making application, we set up a Committee, and that Committee goes into all the circumstances and reports to the Board of Trade, and it lies with the Board of Trade as to whether a licence shall be given or not, [and, as I said before, when the 5th August comes round a decision with respect to Merton's will have been given.]

Naturalization.

(See p. 221 of [Cd. 9177].)

Imperial Meat Supplies.

CHAIRMAN: Mr. Clynes is, unfortunately, unable to come because he is attending a Conference of Food Controllers held in London to-day, and cannot get away. Mr. Wise, one of the officials of the Department, has come to represent him.

Mr. MASSEY: I am sorry Mr. Clynes has not been able to come because this is a very serious matter from our point of view, and I think it is a very important matter from his point of view. I go the length of saying it is a serious matter from the point of view of the consumers of this country. I think I had better commence again so as to make sure that the report will be consecutive. I am now going to quote a letter forwarded to me by the Ministry of Food, and dated the 22nd July—“With reference to Colonial Office letter of 18th July, I am directed by the Food Controller to supply you with the following information:—(1) The quantity of meat purchased by the Ministry of Food in the United States from 1st January to 30th June is 155,000 tons. (2) The net price per lb. paid for such meat has ranged from 8½d. to 1s. 0½d. per lb. (3) The cost of such meat landed in England has been from 11d. to 1s. 3d. per lb. approximately. The actual cost to the Department before the meat reaches the retailer is increased by storage, internal transport, commissions for distribution and other charges. I am, Sir, your obedient servant, E. F. Wise, Assistant Secretary.” I will call the attention of members of the Conference to the last paragraph: “The actual cost to the Department before the meat reaches the retailer is increased by storage, internal transport, commissions for distribution and other charges.” I am not supplied with the price which it costs the consumer. It would be very interesting to know. However, I go back now to read the quantity. “The quantity of meat purchased by the Ministry of Food in the United States from 1st January to 30th June is 155,000 tons.”

The cost of meat landed in England is 11d. to 1s. 3d. Now, supposing equal quantities of meat were paid for at 11d. and 1s. 3d., then the average landing cost would be 1s. 1d. per lb. I do not say that is the average. I believe the average to be considerably higher, because, as far as I can ascertain, a very much larger quantity was purchased at the higher than at the lower price. Now, the average landed cost of New Zealand meat is 8½d. or 9d. Both statements have been made to me—it may be something between 8½d. and 9d., but I am mentioning both for the purpose of argument. And this will apply to Australia as well as New Zealand, because the prices are similar—not exactly alike in both countries, but very nearly.

Mr. HUGHES: You might put the question here, and see if you can get the information, how much is mutton and how much beef?

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IMPERIAL MEAT SUPPLIES.

[16th Day. 293]

Mr. MASSEY: This is mostly beef—United States beef. The difference in favour of New Zealand, therefore—that is comparing the landed cost of New Zealand meat with the landed cost of this meat from the United States—is 4d. to 4½d. per lb. And here and now, to make this point. The representative of the Food Ministry will correct me if I am not right. I am informed that a very considerable proportion of this meat was found to be of such inferior quality that it was condemned on being landed here as unfit for human consumption. I am told that there were tickets on the meat—and this came to me from people connected with the meat trade—showing that some of it had been in store in the United States for over two years. I put forward the statement so that the representative of the Food Ministry may correct me if I am wrong. Very well. Now supposing my figures are approximately correct, the difference in favour of New Zealand or Australian meat, as the case may be, would be 4d. to 4½d. per lb. Take 155,000 tons at 4d. per lb., and the increased cost is 5,786,666l.

Mr. HUGHES: That is before it gets to the consumer?

Mr. MASSEY: Oh, yes; that is the difference in the cost of 155,000 tons as between the United States and New Zealand or Australia. Or if the difference is 4½d., the increased cost would be 6,510,000l. It seems to me, Mr. Long, those figures are sufficiently startling.

Now I come back to the New Zealand position, because that is where I really come in, and I am very glad to have the opportunity, before the Conference comes to an end, of putting this on record, and letting the members of the Conference understand the actual position. And I hope it will be looked into by members of His Majesty's Government. Now here is a copy of a telegram I received from Wellington not many days ago from the Acting Prime Minister in New Zealand. He says: “For your information following is summary of position regarding produce awaiting shipment at June 30th—the end of last month—“Frozen meat, 5,230,000 freight carcasses; butter, 123,097 boxes; cheese, 331,997 crates; wool, 424,573 bales; hides, 1,600 tons; frozen rabbits, 76,000 crates.” Now that is the position to-day, and by way of showing how serious it is to us, just let me quote the annual estimated output. The annual estimated output for New Zealand is: frozen meat, 6,000,000 freight carcasses; cheese, 756,000 crates; butter, 880,000 boxes; wool, 558,000 bales. So that in the case of several of these articles of produce we have almost a year's produce in store to-day in New Zealand. That is our position.

Now, sir, since the commencement of the war the Imperial Government—using the common term—has purchased the whole of our meat for the period of the war and for three months afterwards. It is now purchasing our butter and cheese for the present season, and we have been given to understand that in all probability the butter and cheese will be purchased for the period of the war. On that point I am not able to express a definite opinion. The wool is being purchased for the period of the war, and, I think, for one season afterwards. That is not definitely settled yet—the other points are all settled. Now that is our position. It has been purchased by the Imperial Government on the understanding that it will be taken away from New Zealand. The Imperial Government now controls the shipping, and mind, just let me admit this, that the war comes first every time. If it is necessary for the purposes of the war that our ships should be taken to carry troops from the United States, there is nothing more to be said. But the men experienced in the meat trade have told me that it was not necessary to purchase this huge quantity of meat from the United States, and that there was sufficient in sight in the United Kingdom itself, and that the ships could have been provided for the purpose of carrying the balance of the meat necessary from Australia and New Zealand. I make that statement not on my own authority, but as a statement made to me by people who say they know. I make it for the purpose of having it corrected, if necessary, by the representative of the Food Controller's Department.

Now, sir, it will be easily seen what a very serious position we are getting into in New Zealand. This is the winter season, and it is fortunate in this respect that it is the winter season; and according to the cable news reaching us within the last few days that country is experiencing the severest winter on record. But the winter will presently come to an end. We look upon the middle of August as the beginning of spring. With spring there will come the usual supply of meat and dairy produce,

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IMPERIAL MEAT SUPPLIES.

[26 July 1918.]

Mr. MASSEY—continued.

and of all the other things which spring brings along. What is going to happen to New Zealand then, with its stores full, and dependent as we are upon our output of produce for the money required to carry on our share of the war and the business of the country—to keep the country going, as a matter of fact? I want you to understand, and I want members of the Conference to understand, that we are face to face with the most serious difficulty New Zealand has ever experienced up to the present moment. And what I say about New Zealand applies almost equally to Australia.

Mr. HUGHES: It applies, I think, to an even greater extent to Australia. Do not forget that we have 6,000,000 tons of wheat besides all those things which you have.

Mr. MASSEY: Mr. Hughes, of course, can deal with that point. I want to emphasise the very serious position we are in. I have endeavoured to get satisfaction from the different departments of the State, but up to the present I have got no satisfaction—absolutely none. I cannot blame, perhaps, the Ministry of Shipping for the answers which I receive. I know the Ministry of Shipping have done everything they possibly could to supply ships to get our produce away last year, and I hope something of the same sort will be done during this season. But the outlook is very much worse this time, from a shipping point of view, than it was at the corresponding period of last year. Now there is the position, and I have to explain it when I go back to my own country. And if the representative of the Food Ministry has anything to say or any explanation to offer I shall be very glad indeed to repeat his explanation in my own Parliament, and to put it alongside anything which I may have to say. I want to be perfectly straightforward in the matter, and not to do anything which is not right. But again I say in the opinion of many people New Zealand is not being treated fairly in connection with this matter, and I think—and I say it advisedly—more should be done to get our produce away. The whole of our output has been purchased by the Imperial Government and it is impossible to do anything with it in any other direction.

I do not want to take up the time of the Conference, but I have a table here which I can put on record. This is a schedule of prices paid by the Imperial Government to meat producers for meat during the war period, and it ranges from second-class meat at 4½d. free on board New Zealand to 6½d. for prime Canterbury lamb of 42 lb. and under, also free on board New Zealand—as near as possible half the price paid to the United States for the inferior—and I use the word advisedly—meat sent from that country to Great Britain during the last six months. I do not know that it is necessary for me to take up the time of the Conference further. I have stated my case. I have simply given the particulars. I do not propose to move any Resolution, though I am quite willing to do it, Mr. Long. I know this question does not interest or affect quite a number of the countries represented at this meeting of the Conference—I know that perfectly well, and it would be perhaps unfair to ask them to express an opinion; but I express this opinion on behalf of New Zealand, and I do it publicly so that the representatives of the British Government may understand the position.

Mr. HUGHES: Before the representative of the Food Controller's Department replies—

Mr. MASSEY: Is it understood that I hand this table in, Mr. Long?

CHAIRMAN: Yes, please.

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IMPERIAL MEAT SUPPLIES.

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The Table was handed in, and is as follows:—

NEW ZEALAND MEAT PRICES.

SCHEDULE.

No.	Description.	Price.
1	Wethers, first quality, 72 lb. and under	d.
2	" " " over 72 lb. and up to 85 lb.	5½
2a	" " " over 85 lb. and up to 98 lb. (subject to special approval by the Inspector).	5½
3	" " second quality	5½
4	Ewes, first quality, 72 lb. and under	4½
5	" " " over 72 lb. and up to 85 lb.	4½
6	" " second quality	4½
7	Lamb, specially prime and Canterbury quality, 42 lb. and under	6½
8	" " first quality, 42 lb. and under	6½
9	" " " over 42 lb.	6½
10	" " second quality	6½
11	Beef, prime ox	5
12	" " second and heifer	4½
13	" " boning in quarters	4½
14	" " cow, prime	4½
15	" " " second	4½
16	" " boneless	5½
17	Mutton, legs	6½
18	" " shoulders	5½
19	" " loins	5½

Mr. HUGHES: I am not going to set out Australia's position at length except to say that all that Mr. Massey has said of New Zealand is true of Australia, but the position is aggravated by circumstances that do not apply to New Zealand. We have, as I say, millions of tons of wheat, which we cannot ship, and I think our shipping position, considering our population in relation to that of New Zealand, is infinitely worse. I just want to say shortly this. It has come as a shock to me—an absolute shock—to learn that at the back of all these answers that I have received—that our Government has received—in reference to these matters, there is this fact—that the British Government have been buying meat from the United States of America, and paying those prices which Mr. Massey has mentioned, when there is the meat of Australia and of New Zealand—meat belonging to the countries which have poured forth their young men so lavishly in this war—left high and dry. I do not know how they are going to explain it to the British taxpayer, but I think they ought to have an opportunity of doing so. Further, I want to say this, that I think it is for the Food Controller's Department to reconcile that policy, if the facts be, of course, as Mr. Massey has said—if not, there is an end of it—to reconcile that policy with this talk about Empire. I put it very shortly, but I could not put it better if I spoke for a year.

Sir JOSEPH WARD: Mr. Long, I want to endorse what Mr. Massey and Mr. Hughes have said with regard to the position in our countries, and to say how vital it is to us that that position should be changed, and without any loss of time. Now in New Zealand we have to raise 30,000,000l. sterling this year for the purpose of carrying on the war. If we are going to have our next season's products jammed up in the way in which the present season's products are being held up in that country owing to the inability of getting ships to take it away, then it is quite clear that we must come to this country and ask them to give us 30,000,000l. instead of our providing it. Now we do not want to do that. We have worked in the direction for some time in providing the money necessary to carry on our share of the war, and we are doing it, and very willingly; but if we are going to be in the position, because we happen to be 14,000 miles from the heart of the Empire, of having our ships—our refrigerated ships I refer to particularly—diverted for the purpose of carrying meat from another country, when it is understood that the quantity of meat under the rationing system available here is more than ample for the requirements of this country—then I say if we are going to allow that to continue and,

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Sir JOSEPH WARD—*cont.*

with your eyes wide open, are going to allow a position of that kind to go on, it simply means not only an unsatisfactory position, but a very very difficult position created in a portion of the British Empire which has, as Mr. Hughes has said, freely given of its men, its money, and its assistance in every way in its power. Last month we had only one refrigerator steamer for the whole of New Zealand—only one steamer. It does not require any man to make representations to the British Government for them to realise that if that part of the Empire is to be kept in the position practically of half strangulation during the time of war by only one refrigerator steamer being available there in one month, what in the name of goodness is the use of our keeping on fighting to dispel the fear of strangulation in the Empire as a whole? We want to be reasonable, and we are prepared to make any sacrifices that the exigencies of the man-power situation require, but to-day we are being strangled to death. That is the position.

CHAIRMAN: The Food Controller cannot deal with the shipping question. I thought this motion dealt with the difficulties arising out of the Food Controller's treatment of imported meat, but, of course, the shipping question is different. The Food Ministry is not responsible for that and cannot answer questions about shipping.

Sir JOSEPH WARD: No, Mr. Long.

CHAIRMAN: The best way really, I think, would be for you to see the Shipping Controller yourselves.

Mr. MASSEY: We have seen the Shipping Controller over and over again. But the difficulty is, that if it had not been for the purchase of this meat in the United States, ships could have gone down to New Zealand and Australia.

Mr. BURTON: What has all this to do with the Conference? No doubt this meat question is a very important one from the New Zealand point of view and from other points of view; but if we are going to discuss detailed questions of that sort, of business between individual Dominions and the British Government here, we shall be sitting here for months. I have half a dozen points of that sort with Sir Thomas Robinson, about meat and wool in South Africa, and there is a strong controversy going on about some of them now. But we must decide these things between ourselves and the British Government; they cannot be dealt with by this Conference. I have every sympathy with Mr. Massey, but I suggest if he cannot thresh these matters out with the British Government, we cannot help him.

CHAIRMAN: I apologise for having interrupted Sir Joseph Ward. I did so only because the representatives of the Shipping Ministry were not here.

Mr. HUGHES: I think this has an Imperial aspect.

Mr. MASSEY: I have only one sentence to say. This is the only opportunity I have of ventilating the question.

Sir JOSEPH WARD: I want to say, Mr. Long, that this matter of shipping has been discussed both by Mr. Massey and Mr. Hughes. If you rule that I am not—

CHAIRMAN: Oh, I am not ruling; I am only saying that there is nobody here to answer for shipping except Mr. Roper, who, I understand, is prepared to deal with certain aspects of it.

Sir JOSEPH WARD: I am sorry for that, but I want to say that if this position goes on as at present we are going to be in financial difficulties, and if some members of the Conference do not consider it necessary for us to refer to matters that concern us so vitally, I am sorry. All I can say is that if their portions of the Empire were in any difficulties, I think they would find a very ready response from New Zealand, and an effort made to assist them in extricating themselves from those difficulties. Certainly, we should not try to stop them attempting to do so. Now, I want to say that, apart from the difficult position which the shipping has created, I was intensely surprised the other day when it was placed on record in this Conference that for the purpose of paying a higher price for meat from America, a profit of 3d. per lb. on our New Zealand mutton was being obtained by the Ministry of Food, and that that 3d. per pound was used for the purpose of equalising the higher cost of the meat that came from America.

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IMPERIAL MEAT SUPPLIES.

[16th Day.]

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Mr. ROPER: The profit was not obtained by the Board of Trade. There was no profit on what the Board of Trade sold.

Sir JOSEPH WARD: I have not said that. I have said the Board of Trade sold at cost to the Ministry of Food and they put the 3d. per pound on to the price when they sold to the public and that profit on the New Zealand meat was made by the Food Department for the purpose of equalising the higher cost of the American meat, and so by a pooling system saved the loss, to that extent, of the higher price paid to America. I want to say that that is straining the loyalty of the settlers in New Zealand, who are producing this meat, to an extent which is, in my opinion, unjustifiable; and I do not know how it is to be answered to our producers. We entered into a contract on behalf of the sheep growers for the supply of mutton and lamb to this country at a price admittedly reasonable—it is about 6d. per pound f.o.b. New Zealand—and the growers have been doing that quite willingly from the very beginning of the war; and at this Conference we find ourselves in the position that when the Food Department obtains their meat, they put 3d. on to the price charged to the consumers in England, and use that for the purpose of paying a higher price for meat obtained from elsewhere. Now, surely, if the exigencies of the situation here require the obtaining of meat from another country, and if a higher price is required to be paid there—surely that ought to be paid upon its merits, and if there is 3d. a pound put upon meat to the consumers in England, who, after all, are the people concerned, our growers in New Zealand are entitled to such extra prices as the Food Department here obtain. Surely that is reasonable. I cannot stand up in the House of Representatives, or upon platforms in New Zealand, and tell the sheep growers that we are content with the system established here, under which the British Food Department go in for a pooling system, and the 3d. a pound extra beyond what the Board of Trade pays for meat from New Zealand is used for paying a higher price for meat from America.

All I can say, Mr. Long, is that I want the assistance of this Conference in impressing upon the authorities here the great importance—as a matter of fact the vital necessity—of our having some ships to relieve the situation in New Zealand at present, and to help us in the future to carry on. I go so far as to say—and I say it advisedly—that if the British Government could give authority to the United States to build refrigerated steamers so as to relieve the situation, that ought to be done. If our meat is to be held until the war is over, so that our refrigerating steamers may be used for the purpose of transporting troops from America, it will half ruin our country. We have enough troubles of our own, which we accept willingly—increased cost of living, increased taxation, and so on. We do not ask you to help us in that respect—we will bear our own responsibilities—but there it is—we are the most distanced country in the Southern Seas and we are dependent upon refrigerated steamers, and our refrigerated steamers are nearly all diverted for other purposes, and we have only one steamer available in one month, whereas we require a minimum number of at least twelve. How do you expect that country to live? Why, the thing is almost unbearable.

CHAIRMAN: Does any other member wish to say anything?

Mr. ROPER: The greater portion of what has been said by Mr. Massey and Sir Joseph Ward has relation to the different prices paid for meat purchased from Australasia and from America, with which the Board of Trade is not concerned, because it is not concerned with the purchase of meat in North America. As regards the meat we buy from Australasia, the facts are more or less as described, but I understand that only yesterday there was a discussion in which the Ministry of Shipping, the Board of Trade, the War Office and other Departments concerned took part—I think the Ministry of Food too. The Ministry of Shipping said it was feasible to send more ships to Australasia to fetch this meat away. That was one of the points raised. How many, or when they will go, I do not know yet—I do not know the details—but we have that promise from the Ministry of Shipping. Another point, I think raised by Sir Joseph Ward, was that owing to the fact that the meat purchased in Australasia is purchased at an f.o.b. price, a considerable sum of money was locked up in this meat in New Zealand.

Sir JOSEPH WARD: Oh no, not at present—it has been paid for this year. I said that next year we could not store the new season's output in our stores because they are already full and are not being relieved. That was the point I was making.

Mr. ROPER: What I was going to say on that point was that the Board of Trade has been in communication with the Treasury, and the Treasury are willing to modify the terms of purchase to this extent—that they will pay three months after this meat is placed in store 75 per cent. of the cost price.

Mr. MASSEY: That does not help us out of the difficulty.

Mr. HUGHES: No.

Mr. ROPER: This has now been authorized as a continuing arrangement. The Board of Trade was only informed of it by the Treasury this morning.

Mr. MASSEY: That has been in operation for some months. The point is this—perhaps I should have elaborated it a little more than I did—that our stores are full. That is the trouble.

Mr. ROPER: I know that point, of course.

Mr. MASSEY: We cannot erect additional storage accommodation, and we have 7,000,000 animals fattened or being fattened ready to come in during next season, which will open, say, on the 1st of September. There is the trouble. The whole of the business of the country is going to be stuck up.

Mr. ROPER: That is purely a question of tonnage. So far as the Board of Trade are concerned, we shall be only too glad to fetch it away, and that has always been our position. But more urgent need diverted the tonnage to the North Atlantic. The Shipping Controller is going to relieve that to some extent.

CHAIRMAN: There is some hope of getting that position relieved?

Mr. ROPER: Yes. As regards the question of the difference in price, perhaps I might explain that the Board of Trade, so far as they are concerned, are buying mainly for the armies, and they charge to the armies the price which they pay to New Zealand, plus the cost of bringing it over and other charges. But there is no profit so far as we are concerned as regards the supplies to the armies.

Mr. HUGHES: Do you buy from North America?

Mr. ROPER: No, that is done by the Food Controller.

Mr. HUGHES: You do not buy from North America?

Mr. ROPER: No. Before the Food Controller took it over, we bought negligible quantities.

Mr. HUGHES: Do you buy from the Argentine?

Mr. ROPER: Yes.

Mr. HUGHES: At what price?

Mr. ROPER: Roughly, the same as from Australasia.

Mr. HUGHES: Can you give us the precise figures?

Mr. ROPER: There are several prices, according to the quality of the meat. There are perhaps half a dozen prices. I have not got them in my head, but, roughly, I think Mr. Massey and Sir Joseph Ward will agree they are about the same.

Mr. MASSEY: Yes. As a matter of fact, I believe Australia and New Zealand, so far as prices are concerned, are a little ahead of the Argentine. But the Argentine beats us in this way: it has an understanding from the British Government that if they are able to supply more meat than is stated in the contract they can place that meat on the open market. That gives them a tremendous advantage.

Sir THOMAS ROBINSON: The price at which the meat is now being sold is under the control of the Food Ministry, so they are no longer in the enjoyment of a free market.

Mr. MASSEY: Not in the ordinary sense of the word, but still it enables them to obtain a very much higher price for part of their meat than we obtain.

Mr. HUGHES: Of course the real thing is not how it affects one department or another; the real thing is that we are up against a position which cannot be endured. It cannot continue—it simply cannot continue—unless you propose to ruin the great herds of Australia and New Zealand. You cannot do that.

Mr. MASSEY: It means ruining those countries.

Mr. HUGHES: I want to point out this. Of course this country is absolutely dependent upon Australasian wool. If you buy meat in America, and give twice as much for it as you do for ours, how can you expect us to sell you our wool? Answer that question.

Mr. WISE: The difficulty is that I cannot answer for the Ministry of Shipping. Our purchases are determined absolutely by the state of tonnage, and the countries to which the Ministry of Shipping is prepared to send ships. We would much prefer to buy in Australia and New Zealand. It is cheaper, the quality is better, and there are other obvious reasons which make it better for us to buy in the Colonies rather than in neutral countries. But from our point of view the vital thing is that we should get enough meat to supply the needs of the armies, and to supply the comparatively low civilian ration. We go to the Minister of Shipping and ask him to provide the ships. We tell him where we can get meat from, and, as I say, we prefer to get it from Australasia for a good many reasons. The Minister of Shipping has to balance up the available tonnage as against the requirements—the available refrigerated tonnage which can carry meat—and he has to consider to what other purposes that tonnage must be put, and decide to which countries he shall send ships. That is very roughly the position. We prefer to buy from Australasia. The Minister of Shipping points out that we can get four cargoes from North America in the time that we can get one from Australasia. Furthermore, it has been necessary, as you are no doubt aware, to divert all the shipping possible into the North Atlantic to bring troops over. At the beginning of this year—in the early months of 1918, just before that diversion of tonnage took place—I want to impress upon the Conference that we were, in respect of meat supplies, in a most critical and most dangerous position. It is true that during the last few weeks the imports of frozen meat into this country have been on the high side.

Mr. MASSEY: During the last few weeks?

Mr. WISE: I mean during the last few months. The big imports from North America started, I think, about April.

Mr. HUGHES: How much a month?

Mr. WISE: 165,000 tons, I think, in six months.

Mr. HUGHES: How much were they the previous six months?

Mr. MASSEY: None.

Mr. WISE: Practically nothing at all.

Sir T. ROBINSON: 10,000 tons a month.

Mr. WISE: I want to point out that despite the fact that we have these heavy shipments from America, and we can carry four times the number of cargoes that we can carry from Australasia—despite that, during 1918 the civilian consumption of meat per month in this country has never exceeded 60 per cent. of the average consumption.

Mr. MASSEY: That is the rationing.

Mr. WISE: Well, I will explain my point. It has never exceeded 60 per cent. of the average consumption. At the present time it is nearer 50 per cent. than 60 per cent.—about 54 or 55 per cent. Despite that, at the present moment the British Army has a reserve of 14,000 tons in this country, a lower reserve than there has been for a considerable time. The Italians are pressing for twice the quantity of meat that they have been having, and the French also are asking for increased quantities. And in addition I may perhaps add that we are about to slightly reduce the ration, though our own cattle will soon be coming in off the pastures in very large numbers; and it is perfectly clear that after Christmas we shall have to reduce the ration again to the comparatively low figure in force at the beginning of this year.

Mr. HUGHES: How much?

Mr. WISE: 15 ounces per head per week.

Mr. HUGHES: Oh, you mean the ration. I thought you were talking about price.

Mr. WISE: No, the ration. Consequently if ships are diverted from the North Atlantic to Australasia it means that the ration must go down to a figure somewhere in the neighbourhood of half or three-quarters of a pound at most, per head per week.

Mr. MASSEY: Is it not a fact that there is more meat in sight in the United Kingdom than at any time since the war started?

Mr. WISE: The present position is easier than it has been, but you must not measure the quantity of meat in sight by mere tonnage; you must set against it the requirements of France and the other Allies, and of course the enormously increased demand due to the fact that now the Americans have a very large number of men in France, and that by the beginning of next year they will have a still larger number of men. All these men have got to be fed through the refrigerated tonnage that previously has been available for this country. We cannot feed them—they cannot be fed—without considerable supplies from North America. That I think is the tonnage situation.

Mr. MASSEY: Are you aware that the Americans were willing to purchase meat in New Zealand, and send it over to you?

Mr. WISE: I was not aware that that was the case. If that is so, perhaps you will tell the Shipping Controller that, and no doubt he will be able to deal with the point. But that is, if I may say so, purely a shipping question. We are prepared to buy every ton of meat from New Zealand and Australia—every ton of meat that the Shipping Controller is willing to carry. But we cannot compel him to send ships, and we cannot require him to send ships to New Zealand and Australia, if it means that we shall have to reduce the ration considerably in this country, and if it means that we cannot carry the troops and stores required for the armies in France from North America.

Mr. HUGHES: What about the price? Why do you pay that price?

Mr. WISE: Well, perhaps I may now deal with the question of price. The position with regard to price in America is this. Mr. Hoover, the American Food Controller, in effect purchases all supplies of meat needed, or rather fixes the price of meat to be supplied to the American armies, to the American civilian population and to the Allied Purchasing Commission. We take—that is to say, all the Allies take—not more than about 10 per cent. of the total production of meat by the American canned firms. The price we pay for it is the price fixed by Mr. Hoover, and it is the price paid by the American army.

Mr. MASSEY: From whom is it purchased?

Mr. WISE: From the meat firms. The price is fixed.

Mr. MASSEY: Are these the people generally spoken of as the Meat Trust?

Mr. WISE: The Meat Trust and other firms. I think the Meat Trust provides the greater part. But what else can we do? We cannot pay less than the American army is paying, or we could not get the meat. We cannot pay less than the American public is paying, or we could not get the meat. We are entirely in the hands of Mr. Hoover and the American Government. They decide from whom the meat shall come, and they determine the price. You cannot govern the price. You cannot govern the price of a commodity when you are purchasing 10 per cent., and 90 per cent. is sold in another market. We cannot offer to pay less than the price at which the Americans are willing to sell to us. Mr. Hoover is doing his utmost to reduce the price which the Meat Trust firms are ready to charge, but he is bound by the necessity of stimulating the production of cattle in America—stimulating the export of meat. You must bear in mind that America has previously, until the last few years, been hardly at all an exporting country, and we have only been able to get these quantities of meat—which even so has only enabled us to provide a war ration of a little more than half the 1916 consumption—by the exercise of the most rigid economy on the other side. We are bound to pay the price in the American market—we cannot get it at less.

Then the question raised is as to whether we ought not to sell the American meat at one price and the imported Colonial meat at another price. I do not know whether you suggest that, Mr. Massey?

Mr. MASSEY: No. It is not a matter of price at all. So far as we are concerned we are not complaining of the price. We are complaining of the unfair position in which we are placed. You have actually taken our own ships and are using them for carrying meat from the United States of America to Britain and leaving our meat in the stores, and making it impossible for us to carry on the trade of the country.

Mr. WISE: Well, that is purely a shipping question. I can only answer that by saying that we prefer to buy it from Australasia if the Ministry of Shipping can carry the quantity of supplies we need for ourselves and for the Allied armies. That is a point, I suggest, which must be discussed with the Minister of Shipping. If you can persuade the Minister of Shipping that it is desirable to divert ships from the North Atlantic to Australasia, I can only say that we shall be only too glad to have your meat; but I am not sure that, to the full extent you want, that is possible—subject, of course, to our getting the quantity of supplies necessary to provide the armies and the civilian population.

Mr. MASSEY: You do not supply the army.

Mr. WISE: We do as a matter of fact.

Mr. MASSEY: We have just heard that it is the Board of Trade.

Mr. ROPER: To the extent that we are short of your meat we have to go to the Shipping Controller to get some of the meat purchased by the Ministry of Food.

Mr. MASSEY: Do you expect the soldiers to eat the meat exported from the United States?

Mr. WISE: They are eating a good deal.

Mr. MASSEY: How much of it has been condemned?

Mr. WISE: Rather under half of 1 per cent.

Mr. MASSEY: Are you prepared to supply the figures?

Mr. WISE: I do not think I can give you the figures. That is the best figure I can give you. That is the figure of Smithfield Market.

Mr. HUGHES: What is the figure of Smithfield Market?

Mr. WISE: Half of 1 per cent.

Mr. HUGHES: What is this meat retailed at?

Mr. WISE: Probably 1s. 4d. or 1s. 5d. a pound. Well, either we sell the comparatively small quantity of civilian meat imported from Australasia at one figure, home-produced meat at another figure, and South American meat at another figure, and North American meat at another figure, which I suggest would break down in two weeks, and render the carrying on of the scheme of rationing on price utterly impossible, or else we are bound to do with meat what we have had to do with all other commodities—to more or less pool all the prices, and sell all qualities of meat, the same cuts of meat, at the same price wherever they come from; and that is what we have had to do with regard to this imported food.

Mr. HUGHES: I think you are right; but I want you to consider something else which will break down if you are not careful. You have said that you are paying this money to the Meat Trust, and you have explained why, and I think the explanation is quite sound. But do not think for one moment that it will be satisfactory to the producer in New Zealand or Australia. What he says is this: That you are selling his meat and putting a price on it in order to sell at a uniform price. That is very good. But I think you must remember that New Zealand and Australian meat is selling in the market at 1s. 5d. or 1s. 4d. a pound and the producers are getting only 6½d. Is that right?

Mr. MASSEY: Our prices run from 4½d. for second-class beef to 6½d. for best class lamb.

Mr. WISE: I do not think that is the price to the consumer. I am talking of chops and steaks and so on.

Mr. HUGHES: The highest price presumably, according to Mr. Massey, is 1s. 2d.

Mr. WISE: Yes.

Mr. HUGHES: Then the difference is between 4½d. and 1s. 2d., and this is done by some levelling up or levelling down process in which the New Zealander or Australian does not share. If you were to say: "We are selling your meat, and we are paying you less than the price we pay to the Beef Trust; we have to sell it all at a uniform price; there is your share." If you said that, that would be a different thing.

Mr. MASSEY: Who pays for the condemned meat?

Mr. WISE: It comes out of the food price, but it is very small—half of 1 per cent.

Mr. MASSEY: It is all very well to tell us that it is half of 1 per cent., but it is not less than 775 tons. That is half of 1 per cent. The total quantity of meat imported is 155,000 tons. 1 per cent. of that is 1,550 tons, and half of that is 775 tons. There are 775 tons of meat which have been condemned as unfit for human consumption, according to your own statement.

Mr. WISE: Quite right; but the quantity, I suggest, in proportion to the total quantity, and considering the state of affairs on the other side of the Atlantic and in this country in regard to transport, is not higher than it could be reasonably expected to be. A great deal of that meat has been condemned owing to the fact that it had to be put on ships on the other side in a semi-soft condition, and it has gone wrong on arrival on this side owing to having been delayed on the railways. That figure I gave you—half of 1 per cent.—for meat condemned in London, is probably an exaggerated figure, because pretty well all the North American meat coming into London has had to bear the additional strain of a railway journey right across England. The great bulk of the North American meat is consumed in Lancashire, and probably the rate of condemnation, though I have no figures on the point, is appreciably less than in London. But that I think is the position. I think I might perhaps correct some of the figures given. The comparison is not between 4½d. and 1s. 2d.; the comparison is really between approximately 1s. 1d. and 1s. 5d.

Mr. HUGHES: No.

Mr. MASSEY: Oh, no.

Mr. HUGHES: The difference is between the price we receive and the price the Meat Trust gets. We receive 4½d., and the difference between that and what they get is 8½d. That is the gulf which you have to bridge.

Mr. WISE: The price we pay the Board of Trade for the Australasian meat landed here is, I think, very nearly 10d.

Mr. MASSEY: Is that what you pay?

Mr. WISE: What we pay the Board of Trade.

Mr. MASSEY: That is for Australian and New Zealand meat?

Mr. WISE: Yes.

Mr. HUGHES: If you take the price you pay in America for meat, and the price you pay in Australia and New Zealand for the same class of meat, the difference is 8½d.

Mr. WISE: Quite so. I quite follow.

Mr. COOK: Would it not be better if you could get Australian meat for consumption in America, and American meat here?

Mr. WISE: That is purely a question of tonnage.

Mr. MASSEY: We have got all the information it is possible to get, so far as I can see, Mr. Long, and it does not make the position a bit better from our point of view. That is the trouble. The Food Controller's Department and the Board of Trade say it is not their fault—that they cannot get the ships to bring the meat from Australia and New Zealand. Unfortunately for us the sting of the whole thing is this—and this is Mr. Clynes's statement to this Conference*—that 3d. a pound made on the New Zealand meat is utilised for the purpose of paying for more expensive meat from the United States. There is no possibility of explaining that or getting away from it. I do trust the Departments represented here to-day will represent to the Shipping Ministry the necessity of getting ships at the earliest possible date to relieve the very, very serious difficulties in which we find ourselves in New Zealand and Australia. What has happened has caused a very unsatisfactory feeling. I do not know what our producers are going to say when we explain the position to them, because we must make an explanation to them. I do not know what the House of Commons will say when they get particulars from the other side of the world. However, there it is, from our point of view.

* See p. 85.

CHAIRMAN: Your views will be conveyed, of course, both to the Ministry of Food and to the Ministry of Shipping.

Mr. MASSEY: Yes.

Mr. HUGHES: I hope the Food Controller will see his way to make some arrangement whereby the New Zealander and Australian will share in this increased price paid to America—paid by the consumer in England.

Mr. COOK: May I ask this question. Supposing we had the task of feeding our own Army in this war, would they be able to send the ships to Australia for the purpose of getting the meat—or is it the necessities of the Allies?

Mr. WISE: Oh, yes, that is what very largely determines the situation. Apart altogether from the transport of troops the total quantity of imported meat required for the Allied Armies is approximately 970,000 tons per annum. The total imported meat required for the British civilians is approximately 200,000 tons per annum. That is on a comparatively low ration. So that the needs of the Allied Armies, coupled with the shortage of refrigerated tonnage, and the shortage of ships for bringing troops and stores across the Atlantic, really determine the situation. It is purely a question of shipping, really.

CHAIRMAN: Mr. Boys wishes to make a statement to the Conference.

Mr. BOYS: It is only with reference to Mr. Massey's statement that 3d. a pound profit on the Australasian meat is used to equalise the loss on the American.

Mr. MASSEY: That is not my statement—that is Mr. Clynes's statement. It is a quotation.

Mr. BOYS: I quite understand that. I was here at the time. The profit on the New Zealand meat, though 3d. a pound, and the loss on American meat, though also approximately 3d. or 4d. a pound, by no means equalise one another. The quantity of meat we handle from New Zealand will bring us a profit during the last six months of perhaps 400,000l. The loss on American meat and Canadian meat, taking them at the same ratio of loss I have stated, will run into rather more millions—three or four or five millions—probably nearer 5,000,000l.

Mr. HUGHES: On 155,000 tons?

Mr. BOYS: Yes, plus 29,000 tons of Canadian meat.

Mr. HUGHES: Are you talking about Australian supplies, or New Zealand?

Mr. BOYS: I am talking about all we have released to us by the Board of Trade, which has been practically only New Zealand so far.

Mr. ROPER: What we release is mainly mutton and lamb; what we get from America is beef.

Mr. HUGHES: We could send you more beef.

Mr. ROPER: All the beef we get from Australasia goes to the Armies; the civilian population does not get any of it.

Mr. BOYS: I submit therefore that the amount of profit made on the Australian and New Zealand meat in this case cannot by any means set off the losses on the American, nor does the profit made on the New Zealand meat in any way affect the price paid to the Americans. The American price is a price, as Mr. Wise has explained, fixed quite outside our Department, and the two things have no bearing on one another.

Mr. HUGHES: Yes, but the answer to your argument is this: that the one thing which is within your control, the price of Australasian meat—that is clearly within your control—you do not propose to deal with. As to the other thing, you say: "That is outside our control, and of course we cannot interfere with it." You say you gain 400,000l. on the New Zealand meat, and you lose four or five millions on American meat, and you say one does not set off the other, and so there is no remedy. The remedy lies in action by you. It amounts to this—that if you pay 8½d. to America you must pay 8½d. to us.

Mr. WISE: Mr. Massey does not ask this.

Mr. MASSEY: No, I say the producers in my country have not complained as to price.

Mr. HUGHES: I do complain. I do not see why America should get more than we do.

Mr. MASSEY: They will naturally complain of the price paid to the Americans as compared with the price paid to them. They have every reason to complain. I say so. I complain myself. But that is not the point I am on. That is not what is causing the difficulty. The difficulty is that we are being left with all this meat on our hands.

Mr. HUGHES: Yes. Well, I do not think the Food Controller is responsible for that. That is the Shipping Controller. I will stick to my mutton. What I say is that I do not think you ought to ask us to take less for a commodity than the Meat Trust is paid. It amounts to that.

Mr. MASSEY: Of course it does.

Mr. HUGHES: And of course you say: "Well, we can get it for less from you, and so we will take it for less." Very well. The answer to that is quite obvious too.

CHAIRMAN: We cannot carry that any farther now, can we?

Sir ROBERT BORDEN: Of course, you have to take into consideration the cost of transportation.

Mr. HUGHES: But I am talking about the f.o.b. price.

Sir ROBERT BORDEN: But you say the f.o.b. price ought to be the same.

Mr. HUGHES: It is not more than 1d. a pound—the parity—the American parity.

Enemy Banks and Businesses with Enemy Association.

(See pp. 221, 222 of [Cd. 9177].)

Address to His Majesty the King.

(See p. 222 of [Cd. 9177].)

Publication of Proceedings.

CHAIRMAN: I have circulated a paper with regard to the publication of our proceedings.* I understand the Conference generally approve the recommendations there.

Mr. HUGHES: Well, without being able to refer to the proceedings, I do not know. Generally, of course, I approve it.

CHAIRMAN: Perhaps you will look it through and let us know in three or four hours.

Sir ROBERT BORDEN: Perhaps each member of the Conference will look it through and make recommendations.

Mr. HUGHES: Yes.

Mr. MASSEY: I want to say this with regard to confidential matters. We all understand that a very great deal of the business of this Conference must remain confidential for a very long time to come. Everyone knows that. But take the business we have been dealing with for the last hour, with regard to the Meat Trusts. I am quite prepared to say, if necessary, that I should not quote any personal opinion of any particular members of the Conference or even of the representatives of the Departments who have been here, but I have to explain the position on my return to New Zealand to my Parliament, and it will make it very much easier for me if this is not confidential.

CHAIRMAN: I will ascertain and let you know.

Mr. MASSEY: But the facts, of course, which have been mentioned here this morning I cannot undertake the responsibility of treating confidentially.

CHAIRMAN: Of course, some of the things we have discussed are extremely confidential, such as the question of Raw Materials and the communications I made on Imperial Preference. These are extremely confidential matters.

Concluding Resolution.

(See pp. 222-224 of [Cd. 9177].)

* See p. 352.

I.

Publicity Arrangements.

MEMORANDUM PREPARED IN THE COLONIAL OFFICE.

(See page 225 of [Cd. 9177].)

II.

Work of the Imperial War Graves Commission.

MEMORANDUM PREPARED BY THE VICE-CHAIRMAN OF THE COMMISSION.

(See pages 226-228 of [Cd. 9177].)

III.

Control of Raw Materials.

(See discussion on pages 4-23, 24-30, 34-45, and 192-195.)

A.

Reports of the Committee on the Trade Relations of the United Kingdom within the Empire.

(i)

FIRST REPORT ON RAW MATERIALS.

THE Committee desire to report *seriatim* on those raw materials which are wholly or mainly produced within the Empire. They are of the opinion that no general scheme of control can be drafted on *a priori* principles. Each commodity should be separately considered with reference to two questions:

- (a) Whether any control is desirable, and, if so
- (b) What is the most expedient method of control in the particular case?

When the detailed inquiries are concluded it will be advisable to review as a whole the recommendations which have been made as to each commodity.

2. The objects of control are:—

- (a) To secure for the British Empire and the belligerent Allies a sufficiency of essential raw materials, in order to enable them to repair the effects of the War as soon as possible, and to safeguard their industrial requirements.
- (b) To exert pressure on enemy Powers, so as to induce them to conclude an early peace for fear of economic ruin after the War.
- (c) As a result of such pressure to strengthen our hands, and those of our Allies, in conducting the negotiations at the Peace Conference.

3. To accomplish these objects some measure of inter-Allied co-operation will no doubt be essential. It is probable that any proposals for direct control of raw materials by any inter-Allied body would be impracticable; but the machinery of control should be such as to be suitable for negotiation and co-operation with our Allies. This machinery should be created at the earliest possible moment in consultation with the Dominions and India.

4. Steps should next be taken to consult with our belligerent Allies, and particularly with the United States of America:—

- (a) as to their requirements of Empire raw materials;
- (b) as to the reciprocal assistance which they can give us in respect of commodities over which they exercise the main control;
- (c) as to the use which can be made of our and their control over raw materials in exerting pressure on the enemy Powers, and subsequently in negotiating with them at a Peace Conference.

5. The principle should be maintained that the Empire in all bargaining as to raw materials should act as a unit.

6. The Committee are aware that other committees are dealing with the question of raw materials under certain aspects. But they believe that the main facts as to many of the raw materials produced within the Empire are already collected; and they propose to deal first with certain raw materials concerning which the information is already accessible in the Colonial Office.

The Committee understand that the domestic problem of distributing the raw materials which His Majesty's Government may acquire for United Kingdom use is under consideration of the Ministry of Reconstruction. They do not, therefore, propose at this stage to offer any suggestions on this subject.

The Committee are not aware whether any definite and comprehensive organization has yet been created for ascertaining the resources and the needs of our Allies in respect of raw materials. They suggest that the Foreign Office should be asked for information on this point. But they consider that the provision for British Empire requirements should not be delayed while the wants of the Allies are being ascertained.

April, 1918.

(ii)

SECOND REPORT ON RAW MATERIALS.

1. We have prepared, with the help of the Departments concerned, two lists (see Appendix A), showing:—

- (a) Those raw materials, produced in the Empire, which it is *prima facie* desirable to control for the benefit of the United Kingdom, of other manufacturing centres in the Empire, and of the Allies.
- (b) Those which might be utilized in bargaining, with our present enemies, or with Allies, for economic or political concessions.

The two lists overlap, but they are not identical. It would be easy to add to them; but we are opposed to interfering more than is unavoidable with the normal course of Empire trade. We suggest that the lists should be telegraphed to the Dominions and India, with an explanation that they are provisional lists and are only submitted as a basis for discussion.

We have also prepared a third list, of the materials for supplies of which we may be obliged to bargain with foreign Powers (see Appendix A). This also might be communicated to the Dominions and India for their information.

The Foreign Office are making inquiries as to the exact needs of our Allies in respect of Empire raw materials.* The Board of Trade is preparing statistical estimates of the needs of the United Kingdom. This information will be available by the time of the Conference. We attach a schedule (Appendix B) of the heads under which the information is to be collected.

We look to the co-operation of the Board of Trade and the Foreign Office in investigating the uses which may be made of the "bargaining counters" enumerated in the second list.

2. We suggest that the Imperial War Conference should be asked to approve, in general terms, the principle of reserving specific supplies of certain raw materials for the United Kingdom and the Allies; and also to agree to a list of the raw materials which it is desirable to control for this purpose.

3. But we recognize that each Dominion (and India) must be mistress in her own house, and must be left to decide, in respect of each of the raw materials which she produces, whether she will control it, how she will control it, and for whose benefit she will exercise her control.

4. We therefore deprecate the idea of pressing the Dominions (or India) to adopt a cut-and-dried system of control devised in this country without regard to their local interests and circumstances. We hope that His Majesty's Government, after stating the needs of the United Kingdom and the Allies, will merely ask the Dominions (and India) how far each of them can give assistance. We do not anticipate that the Governments of the Empire will be at a loss for methods of control. We are struck by the variety and the efficiency of the methods which some of them have devised during the War. We understand that all of them have some machinery which could be utilized for post bellum control. There is no good

* NOTE.—It was subsequently found impossible to make the information available in time.

reason for insisting upon mechanical uniformity of administration, as long as the object in view is achieved. That object is to ensure definite quotas of specified raw materials for the United Kingdom and for certain of the Allies, and (it may be) for bargains with our present enemies.

5. After the Conference has approved the principle of control, the objects of control (as defined in our First Report), and the list of materials to be controlled, there will be need for detailed negotiations in respect of each of the listed materials, particularly as to the amounts to be reserved for the United Kingdom and the Allies, and as to the terms of purchase. There will be negotiations on the part of the Dominions and India:—

- (a) with the United Kingdom;
- (b) with certain of the Allies.

These negotiations cannot well be conducted in the main Conference. We hope that the Dominions and India will appoint special delegates (who should be of ministerial status) to negotiate on their behalf. Seeing that at least half a dozen Departments in this country will be interested in the negotiations, we suggest that a committee of ministerial heads of these Departments should be set up, with the Secretary of State for the Colonies as its chairman, and should be empowered:—

- (a) to make binding arrangements, on behalf of the United Kingdom, with the representatives of the Dominions and India, in respect of raw materials;
- (b) to call for all the expert assistance (from Departments and specialist committees) which it may require for the adequate performance of its duties.

Such a committee would no doubt be well qualified to facilitate discussions and arrangements regarding raw materials between our Allies and the Dominions and India.

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APPENDIX A.

List (1).—Raw Materials of Empire origin required by the United Kingdom and the Allies.

Asbestos (Canada, Rhodesia).
Cotton (Egypt, India, East and West Africa, West Indies).
Jute (India).
Wool (Australia, New Zealand, South Africa).
Hides and skins (South Africa, Australia, New Zealand, Canada, India, Straits).
Leather (India, Australia, Canada, New Zealand).
Rubber (Straits, Malay States, Ceylon).
Oleaginous produce (India, Ceylon, West Africa).
Copper (South Africa, Australia).
Lead and its ores (Australia, India).
Manganese ores (India).
Nickel, refined and matte (Canada).
Spelter and zinc concentrates (Australia, India).
Tin and its ores (Australia, South Africa, Nigeria, Straits).
Tungsten ores (Australia, India).
Mica (India, Canada).

List (2).—Raw Materials of Empire origin which might be the subject of special bargains with Allies or Enemies.

Asbestos, fine (Canada, Rhodesia).
Cotton (Egypt, India).
Jute (India).
Wool (Australia, New Zealand, South Africa).
Nickel (Canada).
Tin (Straits, Australia, United Kingdom).
Steam coal (United Kingdom).
Rubber (Straits, Malay States, Ceylon).
Zinc concentrates (Australia, India).
Mica (India, Canada).
Oleaginous seeds and nuts (West Africa, Ceylon, India).

List (3).—*Raw Materials for which the Empire may be obliged to bargain.*

Cotton, American (United States).
Copper (United States).
Flax and hemp (Russia).
Iron ores and pyrites (Spain, France).
Dyes and chemicals (Germany).
Potash (Germany).
Timber (Russia, Sweden, Spain).
Phosphate rock (United States, France).

APPENDIX B.

Raw Materials.—Headings for the arrangement of information.

I.—*Domestic Production.*

A.—Amount:

1. Before the War.
2. During the War.
3. Estimate of, after the War, stating practical limit of annual production, potential supply, and possible development.

B.—Present, and estimated future, quality according to world standard.

C.—Control of sources and production—companies, financial, etc.

II.—*Domestic Consumption or Requirements.*

A.—Before the War:

1. Amount.
2. Uses.

B.—After the War:

1. Amount, estimate stating any qualifying condition.
2. Uses.

III.—*Import (if domestic production insufficient).*

A.—Sources of supply before the War.

B.—Amounts:

1. Before the War.
2. Estimated necessary amount after the War.

C.—Conditions of supply—enemy control, financial, etc.

IV.—*Export (if surplus production).*

A.—Countries to which exported.

B.—Amounts before the War.

C.—Uses.

D.—Dependence of country on supply.

E.—Conditions of export—duties, control, financial, etc.

V.—*Method and Machinery of Control of Domestic Production during the War.*

(iii)

THIRD REPORT ON RAW MATERIALS.

1. SOME of the raw materials to which the attention of the Conference will be invited are not controlled by the Self-governing Dominions; but it seems advisable to explain to the Dominions the whole scope of the policy and the share which other parts of the Empire are invited to take in it.

Moreover, it seems essential to the success of the policy that three general measures of control should be adopted, in respect of these materials, by every part of the Empire which either produces them or imports them:—

- (a) To prohibit their export and re-export (except under licence).
- (b) To reserve the right of requisitioning them when they are stored for foreign account, or otherwise unreasonably withheld from the market.
- (c) So far as the non-ferrous metals are concerned to adopt the policy which is embodied in the Non-Ferrous Metals Act of the United Kingdom, and in the similar war legislation of the Australian Commonwealth.

2. With regard to the further measures of control which may be necessary on the part of the Dominions which own the raw materials in question, we can only suggest for their consideration, if they desire to study precedents and models, the following examples:—

(a) *Purchasing Schemes.*—The scheme followed by the Central Wool Committee of the Commonwealth; the various purchase schemes for wool, scheelite, hides and sheepskins of the Imperial Government Supplies Department of New Zealand; the scheme of the Board of Trade for the purchase of the Egyptian cotton crop.

(b) *Licensing Schemes.*—The scheme of jute control proposed by the India Office; the methods of rationing exports of rubber and tin from various Colonies and Protectorates.

3. The present Report deals *seriatim* with certain raw materials which have been already indicated as calling for control in the reconstruction period.* They may conveniently be classified under three heads: (a) Textile Raw Materials; (b) Minerals and Metals; (c) Miscellaneous.

A.—*Textiles.*

Cotton.

The British Empire produces the greater part of the world's supply of fine cotton. The areas of production for fine cotton within the Empire are the West Indies, Egypt, the Sudan, Nyasaland, Uganda, East and South Africa. Of these Egypt is the most important, not only in the Empire, but in the whole world. India produces considerably more than half of the world's supply of low-grade cotton. The United States have a practical monopoly of the medium grades.

The world's production of cotton has decreased since the season of 1914-15. Before the War, when the world's supplies were steadily increasing, they were often inferior to the demand; and a serious shortage after the War is now considered inevitable.

For the cotton industry of the United Kingdom the question of fine cotton is of paramount importance. In the year ending 31st August, 1913, Great Britain took forty-one per cent. of the total quantity of Egyptian cotton consumed by the whole world; while France took nine per cent., the United States sixteen per cent., Russia eight per cent., Germany eleven per cent., and Austria-Hungary four per cent. The Board of Trade have arranged to purchase the whole Egyptian cotton crop for 1918-19, together with the available balance of the 1917-18 crop. Our Allies are being invited to make a statement of the quantities which their spinners desire to purchase from the Cotton Control Commission.

No decision has yet been taken respecting the fine cotton from other parts of the Empire—the quantities involved being comparatively small.

The question of Indian cotton is not so important to the United Kingdom. It is, however, extremely important to the Indian cotton spinners, whose consumption of Indian-grown cotton amounted in 1913 to 1,298,000 bales; to Japan, which in the same year took 790,000 bales, and in a less degree to Italy, France, and Belgium. In 1913 the total consumption, outside India, of Indian cotton was 1,408,000 bales; of which total 1,062,000 bales were taken by our Allies. Germany and Austria took 263,000 bales, the greater part of the balance. If the Indian cotton supplies are normal or below normal at the time when peace is concluded, the demands of the Central Empires may be a disturbing factor in the Indian cotton market. It would not be surprising if our enemies desired to import two years' supplies from India. Some control of the exports from India may be advisable, both in the interest of the Indian spinners and in that of the Allies.

If the United States were willing to combine with us to regulate exports of raw cotton to the Central Powers, the cotton industries of the latter would be entirely at our mercy. But, in any case, these industries will be hard hit unless they can obtain supplies both of Egyptian and of Indian cotton. Egyptian cotton is already under complete control, owing to the Board of Trade's purchase scheme. If Indian cotton were only allowed to leave India under licence it would be possible to make bargains respecting it with the Central Empires.

* Special memoranda on Mica, Asbestos, and Steam Coal are still in preparation.

Jute.

The question of jute has been carefully considered in this country by committees of the Board of Trade and the Ministry of Reconstruction, by the War Contracts Department, and by the India Office. All these authorities agree that the supplies at present available are barely sufficient to keep the jute mills of the British Empire and the Allied and neutral countries running at their full capacity. The supplies cannot be greatly increased until the restrictions which have been imposed during the War upon the cultivation of jute in India are removed. But immediately after the War the jute spinners of Germany and Austria-Hungary will be in the market for jute. Before the War these two countries were capable of handling about thirteen per cent. of the whole Indian output of raw jute—1,222,000 bales out of an average crop of 10,000,000 bales. In spite of the extensive use which is now made of jute substitutes in enemy countries, the German and Austrian demand for raw jute will be a cause of serious shortage in the market after the War, unless measures of control are taken in good time. The India Office consider that such a control should be introduced, and that its primary object should be to reserve adequate supplies for the jute spinners of India, the United Kingdom, and other parts of the Empire, and the Allied countries. The proposal of the India Office, which is now under consideration in India, is that the export of raw jute from India should be prohibited, and that the Indian spinners should only be allowed to purchase under licence. The Government of India would fix the rations of the Indian spinners, and would come to an arrangement with the Governments of the Empire and of Allied countries as to the rations which should be reserved for their spinners. Licences to export would then be issued by the Government of India to each of the other Governments concerned, up to the limits of the agreed ration in each case. Each Government receiving a ration would undertake to distribute that ration among its own spinners and to prohibit the re-export of raw jute.

Although it rests with the Government of India to make the final decision respecting a product which is an Indian monopoly, we think that the Self-governing Dominions will be interested to know what proposals are being considered in the case of jute. The control scheme of the India Office has been most carefully considered in consultation with the trade interests concerned, and may be of service as a model to other Governments dealing with other commodities.

Wool.

The main problem to be considered is that of clothing wools—merino and cross-bred. The United States and most European countries consume practically the whole of their domestic clips, and the countries which produce an exportable surplus are few in number. Roughly speaking, the British Empire (Australia, New Zealand, and South Africa) produces sixty-eight per cent. of the supplies placed on the world's market; the remaining thirty-two per cent. comes from the Argentine and Uruguay. Of merino wool the British Empire almost holds a monopoly, producing eighty-five per cent. of the world's free supplies. But fifty-four per cent. of the supplies of cross-bred wool comes from the Argentine and Uruguay; we and the Allies, even if we have at our disposal the whole of the Empire supplies of cross-bred wool, will be obliged also to make considerable purchases of this wool in South America.

There is every indication of a shortage of clothing wools after the War. Germany and Austria-Hungary will require enormous quantities. The French demand may for a time be less than it was before the War; but the capacity of the spinning mills, both in the United Kingdom and in the United States of America, has been doubled during the War. All over the world there are large arrears of civilian orders to be executed. But the world's production of clothing wool has diminished during the War. There will not be enough wool to go round, and the case for a control over the Empire supplies, for the benefit of Empire and Allied manufacturers, is a strong one. The ideal arrangement would be for Great Britain and her Allies to obtain a complete control over the whole of the world's clips. There may, however, be difficulties as to joint action in purchasing the Argentine and Uruguay clips, or in securing a first option over them. Consequently it is probable that we shall have to be content with asking the Dominions concerned to arrange for a control over their own supplies of clothing wool. There should be no doubt as to the capacity of the Empire and Allied woollen industries to handle the whole of the cross-bred wool, and most, if not all, of the merino wool produced in Australia, New Zealand, and South Africa. Any surplus of merino wool that may

remain, when the reasonable needs of ourselves and of our Allies have been satisfied, would be extremely useful for the purpose of bargaining with enemy countries. Germany and Austria-Hungary were, before the War, entirely dependent on the British Empire for the finer grades of merino wool.

The position of British and Allied manufacturers is to some extent safeguarded so long as the existing arrangements for the purchase of the Australasian clips remain in force. But it would be impossible to supply these manufacturers from Australia and New Zealand with all the merino wool which they require. The co-operation of South Africa in any scheme of wool control is most desirable.

There should be no difficulty in arranging for the transport of any wool which is reserved by the Dominions for the United Kingdom and the European Allies, since it can be carried back to Europe by troopships on their return journey from the Dominions.

Definite proposals regarding wool will be submitted to the Conference by the Board of Trade.

B.—Metals and Minerals.

Nickel.

Although the principal deposits of nickel ore in the world belong to Canada, and the only other considerable deposits are those of New Caledonia, there are so many minor sources of supply, which can and would be developed further in the event of any considerable rise in price, that it would be a hazardous experiment to preclude Germany from buying ores of Allied origin. Germany's needs, in respect of nickel and nickel ore, were not very great before the War, and were partly met from German and Austrian mines.

The requirements of the United Kingdom in 1917 were between 14,000 and 15,000 tons. Unless the post-War demand is likely to be much greater, and we regard this contingency as improbable, supplies are well secured. Two companies in the United Kingdom—the Société Le Nickel and the Mond Nickel Company—are expected to be capable of producing 13,800 tons of refined nickel per annum, as soon as tonnage is available for importing the necessary ores. They own the mines from which their ore is derived; the Mond Nickel Company, which is the larger of the two, uses Canadian ore. Any further supplies of refined nickel which may be required appear to be assured by the agreement into which His Majesty's Government has entered (1917) with the British America Nickel Corporation. In this corporation His Majesty's Government has a controlling interest.

When the Canadian plant of the British America Nickel Corporation is in full working order the Canadian nickel industry will be released from its present dependence on the plant of the International Nickel Company, which at present refines the greater part of the Canadian matte. But the British America Nickel Corporation will not be in a position to handle large quantities of ore and matte before 1920. Therefore, the co-operation of the International Nickel Company would be necessary if it were proposed to deprive Germany of Canadian nickel in the reconstruction period.

Tin.

About two-thirds of the world's production of tin is smelted in the British Empire. The Straits Settlements produce 60,000 tons; the United Kingdom, 31,000 tons; Australia about 2,500 tons. The estimated consumption of tin within the British Empire is under thirty-eight per cent of the Empire's production:—

United Kingdom	...	...	...	30,000 tons
Canada	...	...	...	2,400 "
New Zealand	...	...	...	250 "
Egypt	...	...	...	250 "
India	...	...	...	2,300 "
Total	...	...	...	35,250 tons

There is, however, every prospect that the present world-shortage of tin will continue after the War. The present demand from the War industries of the United Kingdom and the United States is compensated by restrictions on the tin-plate industry in the two countries. The United States at present require 80,000 tons of tin per annum; so that we and the United States are able to absorb nearly the whole of the world's output, which is roughly 125,000 tons. After the War Germany and Austria will be in the market for large quantities both of tin and of tin ore (about 24,000 tons per annum in terms of tin metal).

There is a strong case for controlling export of tin from the Empire (as at present) by means of a licensing system. Australia and South Africa should be consulted on this point, though the output of refined tin is relatively small in Australia and quite insignificant in South Africa.

As to ores—the United Kingdom smelters depend largely upon Bolivian supplies, and about fourteen per cent. of the ores used by the Straits smelters are derived from non-Empire sources (China, Siam, Dutch East Indies). Efforts should be made to extend the production of tin ores within the Empire. There appears to be an adequate control over the ores produced in Nigeria, which at present come entirely to the United Kingdom; and over those of the Federated Malay States, which go entirely to the Straits smelters. It is recommended that these ores should be controlled after the War as at present. But the supplies which the Straits smelters derive from South Africa and Australia are not protected. Germany used to obtain her tin ores from Bolivia; but, in view of American competition for these supplies and the superior quality of British Empire ores, it seems advisable that the latter should be safeguarded by prohibiting their export except to Empire and Allied destinations.

Germany and Austria-Hungary can obtain from the Dutch East Indies all the metallic tin that they require. For this reason, and owing to the great demand from the United States, it is improbable that we can use tin to any great extent as a bargaining counter in negotiations with these Powers.

Zinc.

Enemy control over Australian zinc ores and concentrates has been destroyed by special legislation of the Commonwealth Parliament. The Commonwealth Government have also established, with financial assistance from His Majesty's Government, a Zinc Producers' Association, which is preparing to smelt, in Australian works, a large part of the normal output of Australian zinc concentrates. Meanwhile, His Majesty's Government have contracted to buy (a) the greater part of the existing stocks of concentrates and slimes in Australia, (b) the whole production from 1st January, 1918, until twelve months after the War, up to 250,000 tons per annum, (c) and for nine years thereafter the whole production up to 300,000 tons per annum. We understand, however, that the necessary works for handling the concentrates are in course of construction here and in Australia. Until this work has been done it may be necessary to have the concentrates treated in Belgium. But this step can only be taken with safety when the Belgian smelters have emancipated themselves from the Zinkhüttenverband.

The production of spelter is one of those essential industries in regard to which it is considered that the British Empire should be self-sufficient. But it seems clear that neither here nor in the Commonwealth can a powerful smelting industry be established without some special assistance. The British industry will be exposed to intense competition, both from Germany and from the United States. We understand that some steps are being taken by the Board of Trade to ascertain what form of encouragement is needed to induce the United Kingdom smelters to lay down plant for the purpose of handling Australian concentrates. Should this encouragement take the form of protective duties, we recommend that a preference should be given to spelter produced in other parts of the Empire. We consider that no duties should be imposed on zinc ores and concentrates imported into the United Kingdom from any source.

If, as seems probable, we have on our hands, in the period immediately following the War, a surplus of Australian concentrates, it might be utilized for bargaining purposes.

Tungsten.

The British Empire produces about one-third of the world's output of tungsten ore; about the same quantity is produced in the United States of America. The remainder is produced in Portugal, Spain, Siam, Japan, Bolivia, and the Argentine. Both Great Britain and the United States consume more tungsten ores than they produce. After the War there will be a diminution in the demand; but this will certainly be followed by a diminution in the output, as some of the mines are only remunerative when the price of tungsten is high. It is improbable that there will be either a famine or a glut in the market. We cannot hope to prevent Germany from obtaining ores in neutral countries; but we can easily save ourselves from becoming dependent (as we were before the War) upon either Germany or the United

States for our supplies of tungsten and ferro-tungsten. The tungsten makers of the United Kingdom are able to treat all the ores produced within the Empire, and it is very desirable that they should do. One way of securing this result would be to impose a heavy export duty on all tungsten ores exported to markets outside the Empire. Another way would be for His Majesty's Government to purchase at agreed rates all tungsten ores of Empire origin. We do not recommend either measure. The first would be unpopular with the producers; the second, if arranged on a basis satisfactory to the producer, would involve the risk of considerable loss to His Majesty's Government. We recommend that the makers in the United Kingdom, the more important of whom already own mines in Purnah, should be encouraged to form closer relations with the owners of other Empire mines from which tungsten ores are derived. Such relations cannot come to maturity under present conditions, since during the War the tungsten ores of the Empire are purchased exclusively by the Ministry of Munitions. But the contracts of the Ministry of Munitions will run for six months after the War, and in that period the United Kingdom makers will have the opportunity of arranging their own contracts for the future. This, we understand, they are anxious to do.

The question whether State encouragement will be required by the tungsten makers calls for careful inquiry. Their industry is essential to the self-sufficiency of the British steel trade; and it will be exposed to severe competition from Germany and the United States.

Aluminium.

The consumption of aluminium in the United Kingdom during 1917 was about 24,000 tons. Of this quantity 10,000 tons were produced in the United Kingdom (mainly from French ores), 3,000 tons by British-owned works in Norway (from French ores), and 11,000 tons in Canada (from United States ores). It is anticipated that in a few years' time the Northern Aluminium Company of Canada will be the largest producer in the world.

The weak point in the position of the aluminium industry, both here and in Canada, is its dependence upon foreign ores. No immediate anxiety is felt as to the supplies of bauxite from France and the United States. But both these countries have large refining plants, and may be eventually obliged to conserve their bauxite for the use of their own refiners. It is therefore desirable that the large deposits available in British Guiana and in India should be developed. The Northern Aluminium Company of Canada has already taken up concessions in British Guiana, and has engaged itself to establish a plant within the Empire capable of extracting from these ores 4,000 tons of aluminium per annum. Two concessionaires (one British, the other Indian) have obtained rights in the Indian bauxite fields, but have not yet proceeded to exploit them. We recommend that steps should be taken to make these Empire ores available for use in the United Kingdom. As some time will probably elapse before this policy takes effect, we recommend that, in any negotiations with the French on the subject of raw materials, care should be taken to ensure the continuance for some years to come of the supplies of French bauxite which are necessary to the United Kingdom refiners.

Manganese.

There is no danger of a serious shortage, although Germany now controls the Caucasian mines, hitherto the largest source of supply. Germany's imports in 1913 were about 664,000 tons, and the Russian output in the same year was 100,000 tons, so that a part of the Russian supply will probably be available for the Allies if they require it. At present the requirements of the United States are covered from Brazil, and, if these prove insufficient, the American steel works can fall back on the Mexican and Cuban deposits. British India in 1913 produced 800,000 tons of manganese ores; and, although production has declined by fifty per cent. during the War, it can easily be restored to the old level. Smaller supplies of high-grade ores are coming forward from the Gold Coast, and the Ministry of Munitions hope to increase the output to 120,000 tons per annum as soon as transport facilities are available. Large supplies of low-grade ores are obtainable from mines already working in the Sinai Peninsula. As the imports of the United Kingdom in 1913 were only 600,000 tons from all sources, there should be no difficulty in covering all British requirements from Empire sources. France and Belgium will eventually require (according to the 1913 figures) about 400,000 tons. Assuming that France and Belgium obtain some supplies from Russia, we ought to be able to provide them with the balance. But it will be desirable to control the export of manganese ores from the Gold Coast and British India by means of an export prohibition.

Lead.

The position of the lead-smelting industry within the Empire has materially improved during the War. In 1913 the total requirements of the Empire were estimated at 233,000 tons (including 200,000 tons consumed in the United Kingdom). The production of the Empire in the same year was only 164,000 tons (of which 114,000 tons were produced in Australia). The ores produced within the Empire were sufficient to cover the whole of the Empire's requirements of metallic lead; but large quantities of Australian lead concentrates went to Germany and Belgium. In 1916 the output of the United Kingdom smelters was about 80,000 tons. The Australian smelters have a capacity of 200,000 tons per annum. But comparatively small quantities of Australian ores have been reaching this country, and about half our total imports of metallic lead for private account in 1916 were derived from foreign sources, chiefly from Spain.

It is anticipated that the Burmah mines, which at present produce 24,000 tons of lead per annum, will increase their production to 60,000 tons.

We are, however, impressed by the evidence that a shortage of lead may be expected in the world's markets after the War, owing to the fact that the civilian industries which require this metal have been partly, or wholly, in abeyance since August, 1914. This shortage will be felt with peculiar severity in the United Kingdom.

We therefore recommend: (a) that special measures should be taken to place the smelting and refining industries of the United Kingdom in a position to maintain and expand their production. The result of the Australian Commonwealth's new policy in regard to lead is that no considerable supplies of Australian silver-lead, lead ores, and lead concentrates will be available for treatment in the United Kingdom. Under these circumstances every effort should be made to develop alternative sources of these raw materials within the British Empire. The lead mines of the United Kingdom should also be utilized to better advantage. The great distance between Australia and the United Kingdom, and the possibility of labour troubles in the Australian industry—these have occurred even during the War—make it desirable that the United Kingdom should not be wholly dependent on Australian supplies; (b) that steps should be taken, by means of a purchase scheme, to secure for the use of the British Empire and its Allies the whole output of lead in Australia and Burmah.

Copper.

In 1913 the consumption of refined copper within the British Empire was 147,000 tons (of which the United Kingdom took 140,000 tons). The quantity smelted within the Empire was about 112,000 tons, of which total 81,000 tons were produced from Empire ores. The three principal smelting centres within the Empire were the United Kingdom, Australia, and Canada. Their relative importance is shown by the figures of production for 1913:—United Kingdom, 52,000 tons; Australia, 42,000 tons; Canada, 14,000 tons.

During the War our policy has been to buy for war requirements from the United States, which we have been able to do on very favourable terms. This policy has not, however, conduced to the development of our smelting industry. The only notable extension has been in Canada, where the local smelters produced 50,000 tons in 1916. We shall still require considerable supplies from the United States of America after the War. Their exportable surplus in 1916 was 322,000 tons, and we shall not require more than a fourth of that quantity if we maintain connexions with our other existing sources of supply. But the annual imports of refined copper by the Central Empires were about 275,000 tons before the War, and their post-War demands (especially for their electro-technical industries) will probably be much in excess of the normal figure. We therefore recommend that His Majesty's Government should negotiate in good time with the United States copper ring, or with the United States Government, for sufficient supplies during the reconstruction period.

But to safeguard our position in the future it is desirable that Australia and Canada should be asked what can be done to extend their copper-smelting industries. It should also be ascertained how the Canadian exports of refined copper can be diverted to the United Kingdom. Australia and South Africa should further be asked to inquire as to possibility of developing their latent resources of copper ores. Steps should be taken to establish the copper-refining industry in the United Kingdom on a larger scale.

C.—Miscellaneous.

Rubber.

In 1916 the world's production was upwards of 200,000 tons, and of this total about 108,000 tons were produced in the British Empire—chiefly in the Federated Malay States, Straits Settlements, and Ceylon. Outside the Empire the chief sources of supply were Brazil (31,000 to 36,000 tons) and the Dutch East Indies (33,000 tons); Brazilian production is almost stationary, but rubber planting has advanced by leaps and bounds, since 1910, in the Dutch East Indies and the British Empire. The world's output for 1917 was estimated at 265,000 tons; and at the end of the year the Rubber Growers' Association decided that the output of the estates controlled by its members should be limited to eighty per cent. of the 1917 output; the Dutch East Indian planters were approached with a view to inducing them to adopt a similar policy. It is estimated that, even if the Dutch planters do not fall into line, there will be a reduction of output amounting to 30,000 tons.

While the rubber trade in general appears to be afraid of over-production, there are two factors in the situation which point to the opposite conclusion. (a) In Europe there will be a considerable demand, after the War, from civilian industries which have been at a standstill during the War. The demand of Germany and Austria-Hungary will be particularly acute, since these countries have imported very little rubber since August, 1914. Their net imports in 1913 amounted to 19,500 tons; and, in the year after peace, they may well require two years' normal supply. (b) In the case of the United States we have to reckon with a civilian demand which advanced very rapidly in the years 1913-16, and in 1916 already amounted to 118,000 tons.

For these reasons it seems inadvisable that His Majesty's Government should give up the control afforded by the present prohibition of the export of rubber, except under licence, until it is clear that the needs of the British Empire and of the Allies have been adequately covered. In 1916 these requirements were:—

United Kingdom	...	...	...	26,000 tons.
Canada	...	...	...	4,000 "
Australasia (estimate)	...	...	...	4,000 "
United States	...	...	...	118,000 "
France	...	...	...	14,000 "
Italy	...	...	...	8,000 "

It is improbable that the whole of these requirements will have to be met from the British Empire. The United States, for example, take at present the greater part of the Brazilian exports. But the demands of the Allies and of the consumers in the Empire will leave only a small proportion of the Empire output for export to neutrals or present enemies. Concerning this exportable surplus it should be possible to make bargains with our present enemies.

Vegetable and Animal Oils and Fats, and Oil Seeds and Nuts.

As the raw materials from which margarine and other edible fats, soap and candles, cattle cake, paint and varnish, and various lubricants are made, oleaginous produce is of great importance to the United Kingdom and France. In 1913 the net imports of oil seeds and nuts into the United Kingdom amounted to nearly 1,400,000 tons. In addition, about 375,000 tons of oils and fats (not including lard) were imported, and about 222,000 tons were exported.

Before the War the German imports of oil seeds and nuts were from 1,400,000 to 1,700,000 tons, and the French about 950,000 tons. Of the German imports, between forty and fifty per cent. came from the British Empire. In particular, Germany depended mainly upon Egypt for cotton seed, on British West Africa for palm kernels, and on India for rape seed.

During the War the production in the United Kingdom of margarine, and the demand for it, have greatly increased in consequence of the large falling off in the production and importation of butter. When the War is over there will probably be an even greater demand for butter fats; and, as supplies of butter will for some time be limited, it is expected that it will be necessary to manufacture in the United Kingdom about 400,000 tons of margarine a year, as compared with about 75,000 tons before the War.

After the War there is certain to be an abnormal demand from Germany for oleaginous produce. She will, doubtless, be able to obtain considerable quantities

from non-British countries—e.g., linseed from Russia and the Argentine, soya beans from China, and copra from the Dutch East Indies. But these will not suffice to supply all her requirements, and German importers are understood to be seriously alarmed at the prospect of being cut off from the sources of supply within the British Empire.

The principal oleaginous produce of which it will probably be desirable to control the export from the British Empire for a certain period after the War appears to be:

(1) *Palm Kernels, Copra, and Coco-nut Oil.*—These provide the vegetable "hard oils" required for margarine making; and for some time after the War the available world's supply of these will probably be appreciably less than the demand. British West Africa produces about 240,000 tons, or four-fifths of the total world's exports of palm kernels; and French West Africa about 50,000 tons. The United Kingdom and France could, therefore, almost completely control the supply of palm kernels, which, before the War, were nearly all crushed in Germany. With copra and coco-nut oil, which is, of course, expressed from it, the position is different, as a large proportion of the exports of copra come from the Dutch East Indies and the Philippines (200,000-300,000 tons). The chief British sources are Ceylon, India, the Malay Peninsula, the British Pacific Islands, and Zanzibar.

(2) *Cotton Seed and Ground-nuts and their Oils.*—These oils are the "soft oils" normally used in the United Kingdom for margarine. They are also largely used for other edible purposes, and in many industries. The main sources of cotton-seed oil are:—

- (i) Decorticated cotton-seed oil from the United States of America.
- (ii) Oil expressed from cotton seed imported from Egypt and India, which are the only countries within the Empire which produce cotton seed on a large scale.

Ground-nuts come mainly from the Gambia, Nigeria, and India. If the export of the Gambia and Nigerian ground-nuts is controlled, the United Kingdom will probably not require any considerable quantity of Indian ground-nuts, which, shipped in the decorticated form, are inferior on arrival in the United Kingdom to West African ground-nuts. But Indian ground-nuts are of great importance to France, whose supplies may be imperilled if Germany is allowed to buy without restriction in the Indian market. Unless the crop of cotton after the War is a very large one, the British and German demand for cotton seed will probably exceed the supply available, especially if the local consumption of the oil continues to increase in Egypt; and control of the exports from Egypt and India will be desirable.

As regards linseed, it may be assumed that after the War the Canadian surplus, unless a very large one, will continue to be absorbed by the United States of America, which will also require some portion of the Argentine crop. Germany will no doubt obtain its linseed mainly from Russia and the Argentine. If the crops in those countries are large it may not be necessary to control the exports of linseed from India; but otherwise it will probably be desirable to do so.

In view of the position as we have described it above, we recommend that the export of certain kinds of oleaginous produce to other than Empire destinations should be controlled during the period of reconstruction after the War, and that the Governments of the Dominions and India and other parts of the Empire concerned should be consulted with reference to the products which we have specifically mentioned above.

The increase in the manufacture of margarine in the United Kingdom will necessitate the importation of larger quantities of premier jus and neutral lard. Provided that freight can be made available, Australia and New Zealand should be able to supply larger quantities of premier jus than hitherto, though our main supplies will presumably have to come from the Argentine and the United States of America.

(NOTE.—Premier jus is the fresh fat obtained from the heart, caul, and kidneys of cattle and sheep, expressed at a temperature of 100° to 120° Fahr. Neutral lard is a high quality lard obtained from the belly of the pig.)

Hides and Skins.

The export trade in hides and skins is of some importance to the Dominions of Canada, Australia, New Zealand, and South Africa; also to India, which is the largest exporter in the Empire; also to the Straits Settlements, British East Africa, and British West Africa.

At present the United Kingdom depends largely on foreign sources for rough tanned hides (though India is a considerable source of supply) and for raw hides and skins. This is the more regrettable because India and Australia exported hides on a considerable scale to enemy countries and territories in enemy occupation. For India the consequences of this trend in the hides trade were particularly unfortunate; the export of hides fell into the hands of a German ring, and special measures have been found necessary, during the War, to bring this trade into safe hands. The War has compelled the United Kingdom to rely very largely upon hides of Imperial origin; it is desirable from every point of view that there should be no return to the old situation. The difficulties which in the past militated against the use of Empire hides in United Kingdom tanneries were (a) that British tanners had been accustomed to handle the high-grade hides produced in the Argentine; (b) that the exporters in Australia, South Africa, and India did not take pains to improve the quality of their exports. Unless these difficulties can be overcome it is doubtful whether the United Kingdom market can absorb the considerable quantity of Empire hides which were formerly sold to enemy countries.

Germany was dependent, before the War, upon the British Empire for sixty per cent. of her gross imports of dry cow hides. But the other sources of supply upon which she drew were very numerous, and it is doubtful whether her tanning and leather industries would be seriously embarrassed by the stoppage of Empire supplies.

June, 1918.

B.

Telegram from the Secretary of State to the Governors-General and Governor of the Dominions summarising the First and Second Reports.

(Sent 11.58 p.m., 12th April, 1918.)

- (1) Canada.)
- (2) Commonwealth of Australia.)
- (3) New Zealand.)
- (4) Union of South Africa.)
- (5) Newfoundland.)

(Paraphrase.)

12TH APRIL, Confidential. The Committee referred to in my despatch of 15th October, Dominions No. 665,* has drawn up two reports on the subject of the post-War Control of Raw Materials which His Majesty's Government propose to bring up at forthcoming Imperial War Conference for discussion. Copies of reports are being sent by mail, but His Majesty's Government think it advisable to telegraph following summary, so that [To (2) and (3) only: [Australian] [New Zealand] representatives at Conference may have time before leaving for London to discuss proposals with their colleagues.] [To (1), (4), and (5): [Canadian] [Union] [Newfoundland] Government may have time to consider proposals beforehand.]

[To all:] Summary begins: First report states that no general scheme of control can be drafted on *a priori* principles, but each commodity must be treated separately. The objects of control are (a) to secure for British Empire and belligerent Allies sufficiency of essential raw materials, (b) to exert pressure on enemy Powers so as to induce them to conclude early peace for fear of post-War economic ruin, (c) as result of such pressure to strengthen hands of Empire and Allies in conducting negotiations at Peace Conference.

Report further points out that some measure of inter-Allied control of raw materials will no doubt be essential, but that provision for British Empire requirements should not be delayed while wants of Allies are being ascertained. It therefore recommends that machinery should first be created

in consultation with Dominions and India, and that steps should then be taken to consult with belligerent Allies, particularly United States of America, as to measures of co-operation. Report emphasizes that principle should be maintained that Empire should act as a unit in all bargaining as to raw materials.

Second report of Committee sets out provisional lists intended as basis of discussion:—

(a) of those raw materials produced in Empire which it is desirable *prima facie* to control in interests of Empire and Allies, viz., asbestos, hides and skins, cotton, jute, wool, leather, rubber, oleaginous produce, copper, manganese ores, lead and its ores, nickel refined and matte, spelter and zinc concentrates, mica, tungsten ores.

(b) of those raw materials which might be used in bargaining with Allies or enemies for political or economic concessions, viz., fine asbestos, cotton, jute, wool, steam coal, rubber, zinc concentrates, nickel, tin, mica, nuts, and oleaginous seeds.

(c) of those raw materials for supplies of which Empire may be obliged to bargain with Allies and enemies, viz., American cotton, copper, flax and hemp, dyes and chemicals, potash, timber, iron ores and pyrites, phosphate rock.

Report goes on to suggest that Imperial War Conference should be asked to approve in general terms principle of reserving specific supplies of certain raw materials for United Kingdom and Allies, and also agree to list of raw materials desirable to control for this purpose, leaving detailed methods of control for subsequent examination. After Conference has approved principle of control report anticipates that detailed negotiations will be necessary in respect of each raw material, particularly as regards amounts to be reserved and terms of purchase, which could not well be conducted in main Conference. It suggests that it may be necessary for Dominions and India to appoint special delegates to negotiate on their behalf, and also outlines machinery which may be needed in United Kingdom for same purpose. *Summary ends.*

His Majesty's Government hope that [Canadian representatives] [Australian representatives] [New Zealand representatives] [South African representative] [Newfoundland representative] will be ready at forthcoming Conference to go into questions raised in these reports in as much detail as possible, and will be ready to discuss not only general principle of control, but also individual materials to which, if principle approved, scheme should be applied. It would, of course, be of assistance if your Government could indicate what scheme of control they would favour with regard to separate materials with which second report deals, and also their probable post-War requirements in regard to each article. Your Government will remember that information with regard to post-War requirements has already been asked for and supplied as regards tin.

[To Australia and New Zealand only: I am sending copies of both the reports to the Governor-General of Canada to be handed to [Commonwealth of Australia] [New Zealand] representatives when they arrive.]—LONG.

CONFIDENTIAL.

C.

Imperial War Conference, 1918.

Report of Committee on Raw Materials.

[See page 192.]

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INTRODUCTION.

WE were appointed under Resolution IV. of the Imperial War Conference, passed on 28th June, 1918, to consider the possible methods in each part of the Empire of obtaining command of each of the essential raw materials specified in Resolution III. (3).

These raw materials were as follows:—

Asbestos.
Cotton.
Jute.
Wool.
Hides and skins.
Leather.
Rubber.
Oleaginous products.
Petroleum.
Copper.
Lead and its ores.
Manganese ores.
Nickel, refined and matte.
Spelter and zinc concentrates.
Tin and its ores.
Tungsten ores.
Mica.
Molybdenum.
Steam coal.

We have had the advantage of considering a memorandum supplied to us by the Board of Trade, setting out alternative methods of control. This memorandum we print as an appendix to this report. We think that it will be of service to

the Governments concerned in considering the problems arising with regard to raw materials. We are also indebted to the Ministry of Reconstruction for a variety of suggestions bearing on the questions involved.

We do not feel in a position to recommend ourselves the precise measures to be taken by any of the Governments of the Empire in regard to any particular raw material, as such measures can only be determined by the Governments in the light of local conditions. In the present report, therefore, we have confined ourselves to setting out the nature of the problems which arise in respect of each of the raw materials already referred to. To these raw materials we have, however, added *aluminium ores*, as we feel that the question of securing command of these is, as stated at the Imperial War Conference, a matter of much importance to the industries of the Empire.

We proceed to deal very briefly with the various raw materials in question. We have used for the purposes of this report the very valuable detailed particulars collected by the "Committee on the Trade Relations of the United Kingdom within the Empire," under the Chairmanship of the Secretary of State for the Colonies. We suggest that it would be of advantage to the Governments of the Dominions and India if these detailed particulars were communicated to them by His Majesty's Government, so that each of the Governments concerned may have the fullest particulars available.

ASBESTOS.

1. Uses.

The industrial application of asbestos is practically unlimited. True asbestos (chrysotile asbestos) is woven into acid-proof and fireproof tissues, etc., whilst short fibre asbestos is used for various insulating materials, roofing, tiling, and other building materials.

2. Sources of Supply.

The main supplies (about eighty per cent.) of the world come from Canada. The remaining countries producing asbestos in considerable quantities are the Union of South Africa, Rhodesia, Russia, Italy, and the United States of America.

3. Output.

The Canadian output averaged nearly 88,000 long tons per annum over the period 1909 to 1913. Asbestic, an inferior variety of asbestos, was produced in Canada to the average amount of 22,000 tons per annum. The Russian output averaged 14,000 tons per annum for the period 1909 to 1913. The production of the other countries named was smaller. The Union of South Africa is the main source of what is known as blue asbestos, which is an acid-resisting substance, but highly abrasive.

4. Present Position.

Before the War the bulk of the Canadian asbestos was exported to the United States, smaller quantities going to the United Kingdom and other markets. Under an arrangement made since the War purchases for the United Kingdom in Canada have been effected through the Imperial Munitions Board for the account of a body in the United Kingdom known as the Asbestos Pool Board. Supplies from the Union of South Africa and Rhodesia for the United Kingdom have been obtained by means of the control of the Imperial Government over tonnage.

5. Requirements of the British Empire.

The requirements of the British Empire after the War may be estimated roughly at 14,000 tons to 15,000 tons per annum, mainly for the United Kingdom.

6. The Problem.

The problem before the British Empire mainly concerns Canada, but to a less extent the Union of South Africa and Rhodesia. It may be stated thus:—

- (1) What action is necessary to secure that the United Kingdom and the Allies shall secure the necessary supplies of asbestos? In particular, is it desirable to continue after the War purchases on account of the United Kingdom by the Asbestos Pool Board, and to extend this system to any of the European Allies which may desire it, especially France and Italy?

- (2) What steps are necessary to secure supplies from the Union of South Africa and Rhodesia? In particular, is it possible to control the destination of the supplies without a system of licensing exports from both countries?

COTTON.

1. Uses.

The uses of cotton are legion, but they may be roughly classified as follows: (1) sewing cotton; (2) yarns for all kinds of fabrics, both clothing and furnishing, and for other purposes, including hosiery and lace; (3) miscellaneous uses of all kinds, from typewriter ribbons to aeroplane fabric and motor-car tyre webbing; (4) "linters," or the short fuzz taken from the seed by a subsequent process after the bulk of the lint has been removed, form the foundation of many explosives, such as gun-cotton; linters, and the waste of other cotton, and even some of the lower-grade cottons themselves, also enter into many other uses, e.g., medical "cotton wool," blotting paper, padding of garments, upholstering, etc.

2 and 3. Sources of Supply and Output.

From this point of view cotton must be roughly graded as below. The grading is according to the length of staple (2½ inches to ¾-inch), which controls the fineness or "count" of the yarn that can be spun from it.

- (a) *Fine cotton*, including the Sea Island (United States and West Indian) and Egyptian.
- (b) *Medium*, or "bread and butter" cotton, the great bulk of the world's supply, mostly obtained from the United States.
- (c) *Indian short staple cotton*, only usable for heavy counts of yarn and fabrics of a lower grade.

The following summary of a larger table of statistics given in the Interim Report of the Empire Cotton Growing Committee indicates the proportions of these different grades and their sources: distinguishing the British Empire's share in the world's supply:—

Grade and Quality.	Where Grown.	World's Crop.	Empire's Share.	
			Bales.	Percentage
Fine ...	South Carolina, West Indies, Florida and Georgia, Egypt and the Sudan ...	Bales of 500 lb. 1,854,000	1,276,000	94
Medium ...	United States of America and Mexico, Nyasaland, Uganda, West and South Africa, Brazil, Peru, etc., Levant, Russia, China ...	17,080,000	455,000	2.5
Short ...	India, Russia, Persia, China ...	7,200,000	4,500,000	62
	Totals ...	25,684,000	6,231,000	24.6

Of the United States crop of, say, 15,000,000 bales, which is sixty per cent. of the whole world's supply of all kinds of cotton, the United States themselves are now using fully half, while England uses the bulk of the remainder. Germany was the only other country whose consumption exceeded a million bales before the War. Smaller quantities went to almost every other country in the world, from Japan to Canada.

The Egyptian crop, which now runs about 1,250,000 bales of 500 lb., is very largely used in England, though the United States and Germany also used a good deal before the War.

The Indian crop of about 5,000,000 bales is mainly used in India and Japan. Before the War Germany, Austria, and Italy were the only other countries that used much.

The following table gives a brief summary of pre-War consumption of the different varieties (all the figures represent thousands throughout) :—

Country.	—	American.	Indian.	Egyptian.	Sundries.	Total.
<i>British Empire.</i>	<i>Spindles.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>
United Kingdom ...	55,659	3,667	54	392	161	4,274
India ...	6,084	94	2,081	1	1	2,177
Canada ...	855	113	—	—	—	113
	62,592	3,874	2,135	393	162	6,564
<i>Allies.</i>						
France ...	7,400	806	95	80	29	1,010
Italy ...	4,600	571	175	19	25	790
Belgium ...	1,492	171	82	1	3	257
Portugal ...	480	63	1	1	14	79
United States of America	31,505	5,553	—	201	32	5,786
Japan ...	2,300	425	993	16	155	1,589
	47,777	7,589	1,346	318	258	9,511
<i>Enemies.</i>						
Germany ...	11,186	1,355	189	110	47	1,700
Austria ...	4,909	627	154	33	29	837
	16,095	1,982	342	143	76	2,537
<i>Others.</i>						
Russia ...	9,213	487	21	87	1,913	2,508
Spain ...	2,000	255	34	20	19	358
Switzerland ...	1,398	65	3	29	1	98
Others ...	4,378	225	16	14	1,101	1,356
	16,989	1,062	74	150	3,034	4,320
Totals	143,453	14,507	3,897	1,004	3,524	22,932

4. Present Position.

The world's crops have been seriously reduced by the War, mainly owing to the very high prices of competing crops, e.g., cereals. The demand for cotton goods has shown little diminution, with the result that prices have beaten all records. The difficulty of shipping has made it necessary to control the trade in many ways. The British and Egyptian Governments control the Egyptian crop, while the Cotton Control Board controls the consumption in Lancashire. The Indian Government have recently started a measure of control over speculation in India.

Even before the War the world's consumption had only been limited by the available supply, and there is every reason to expect grave shortage after the War when the Central Powers come into the market again. During the War their supplies have been practically cut off except for small quantities from the Levant. They may be able to get more now from Russia (Caucasus and Turkestan), but the crops there have diminished very seriously since 1916.

5. Requirements of the British Empire.

These are shown in the table of statistics already given. They are very easily met, so long as the United States crop is free to us; in the highest grade and in the lowest we are in a position not merely of independence but of almost complete control. In the former our control of the West Indian Sea Island crop and the Egyptian long staple supply gives us substantial control of the world's supplies in that grade. In the lowest grade, again, the Indian crop provides over sixty per cent. of the total. But in the great medium grade of the United States cotton we have only two-and-a-half per cent. of the total. In view of this preponderance of the United States crop in the world's supply and the possibility of United States consumption increasing faster than the crop, as it has very markedly done during the War, it is felt to be extremely desirable that the British Empire should be rendered more nearly independent of any outside source of supply.

6. The Problem.

The problems are :—

- (1) At the close of the War, to prevent a disastrous scramble for cotton when the Central Powers again come into competition with the rest of the world for the United States crop. Could arrangements be made with the United States to give preference to the Allies in United States cotton? The United States Government may, before the War ends, and almost certainly will when peace comes, find it necessary to take over control of the crop and to ration it out to the Allies, as has been done with the Egyptian crop, and, once begun, it would require to be continued for some time after the War. There is every reason to believe that the control of the Egyptian crop, and the Cotton Control Board's supervision of the consumption in Lancashire, will require to be continued for a time after the War.
- (2) Without waiting till after the War, what steps are possible now to secure the earliest development of the resources of the Empire in increased cotton-growing? In the Sudan, in West Africa, in various parts of East and South Africa, and in Queensland, as well as in the already established countries such as Egypt and the West Indies, there are great possibilities of extension, which may reasonably be expected some day to make us more nearly independent of foreign supplies. A great deal of preliminary work must be done so that no time may be lost after the War in pushing on with the large engineering works—railways, irrigation works, etc.—which will be required in many parts of the Empire to provide the necessary conditions of extended cotton-growing.
- (3) Whether it is desirable, in the interests of the Indian cotton industry and of the Allies, that steps should be taken by the Government of India to regulate the exportation of raw cotton from India?

JUTE.

1. Uses.

JUTE is used as a textile raw material: especially for the manufacture of packing cloth and gunny bags, floorcloth and linoleum, twine, and tying cords.

2 and 3. Sources of Supply and Output.

The fibre is produced in India only, its cultivation being practically confined to the provinces of Bengal, Eastern Bengal and Assam, Cooch Behar, and Nepal.

In 1914 the crop amounted to 10,444,000 bales of 400 lb. A normal crop on the basis of pre-War cultivation is 10,000,000 bales. The crop for 1917 was slightly under 9,000,000 bales. That for 1918 may be rather smaller.

4. Present Position.

The maximum capacity of the jute mills in the consuming countries was, in 1913 :—

(In bales of 400 lb.)			
India ...	5,250,000	Brought forward	8,736,000
Great Britain ...	1,470,000	Spain ...	208,000
United States of America	650,000	Holland ...	40,000
France ...	593,000	Norway ...	10,000
Russia ...	274,000	Sweden ...	32,000
Italy ...	255,000	Greece ...	5,000
Belgium ...	152,000	Germany ...	880,000
South America ...	92,000	Austria ...	366,000
Carried forward		8,736,000	10,277,000

The jute mills usually carry six months' stocks. At present the mills of all countries outside India, with the exception of the United States, are practically denuded of stocks; consequently, at the conclusion of peace a number of consuming

countries will desire to buy supplies equal to eighteen months' consumption. On this basis the India Office state the present position thus:—

Stocks in hand in India	1,500,000 bales
Crop of 1918	8,500,000 ..
Total supplies available	10,000,000 ..
Indian requirements for twelve months	5,500,000 ..
Requirements of United Kingdom, United States of America, Italy, France, Belgium, Brazil, and Greece for twelve months' consumption and stocks	4,442,000 ..
Total requirements, Empire and Allies	9,942,000 ..

It is evident that very little would be left for neutrals and enemy countries if the Allies were provided with jute on this scale. Though it may turn out that the Allies, or some of them, may have to be content with less than eighteen months' supplies, for reasons of finance and tonnage, it is clear that, if Germany and Austria, to say nothing of the neutrals, were allowed free access to the Indian jute market there would be a demand greatly in excess of the supply, and prices would be much inflated.

5. Requirements of the British Empire.

The two centres of the jute-spinning and weaving industries within the Empire are India and the United Kingdom. The annual requirements of Indian industry are about 5,500,000 bales. The United Kingdom will require at the conclusion of peace about 2,205,000 bales (allowing 1,470,000 bales for twelve months' consumption, and half this amount for replenishment of stocks). The requirements of the Empire, after allowing for those of the Dominions, in the first twelve months after peace may therefore be put at, say, 8,000,000 bales.

6. The Problem.

It is clear, from the figures given above, that the jute industries of the Empire and the Allied countries will be in danger of failing to obtain their necessary supplies of raw material, unless the assistance of the Government of India is forthcoming. The problems which call for consideration are:—

- (1) Whether such assistance could be given consistently with the interests of the Indian producer and manufacturer, and what measures would be necessary to safeguard those interests?
- (2) Supposing assistance to be given, what machinery would be required to assess the rations of the several countries which would participate in the exportable surplus of Indian jute?
- (3) By what method could these rations most conveniently be distributed?

WOOL.

1. Uses.

Wool is mainly used in the clothing industries, including those connected with the supply of hosiery and knitting wool. To a less extent it is required for furnishing fabrics and for carpets. It should be stated that of the two leading types of wool *crossbred* has, during the War, mainly been utilized for military purposes, and *merino* for civilian purposes.

2 and 3. Sources of Supply and Output.

The sources of supply and output can best be indicated by the following summary of a table drawn up for the Conference on Wool Supplies after the War, which was laid before the Imperial War Conference.

	Total Production.		Production in 1915 by kinds of Wool.		
	1913.	1915.	Merino.	Crossbred.	Carpet Wool, etc.
<i>British Empire.</i>		Millions of	lb. (avoirdupois).		
United Kingdom	125.0	122.0	—	122.0	—
Australia	648.9	570.0	484.5	85.5	—
New Zealand	186.5	197.0	6.0	191.0	—
South Africa	177.0	180.0	180.0	—	—
Falkland Islands	4.8	4.0	—	4.0	—
Canada	2.5	11.0	5.5	5.5	—
British India	48.0	60.0	—	—	60.0
	1,193.9	1,144.0	676.0	408.0	60.0
<i>Allies.</i>					
Russia	360.0	380.0	76.0	—	304.0
United States	306.0	304.0	174.0	130.0	—
Other Countries	109.7	110.0	36.5	73.5	—
	775.7	794.0	286.5	203.5	304.0
<i>Neutrals.</i>					
South America	452.0	404.0	73.0	331.0	—
Other Countries	400.0	390.0	—	—	338.0
	852.0	794.0	99.0	357.0	338.0
<i>Enemy States.</i>					
Germany and Austria-Hungary	70.0	67.0	13.0	54.0	—
Total	2,891.6	2,794.0	1,074.5	1,022.5	702.0

4. Present Position.

The outstanding features of the position are:

- (a) That the British Empire is self-supporting as regards each leading type of wool. As to *merino* wool, the production of Australia and South Africa (about 680,000,000 lb.) is nearly four times the pre-War consumption within the Empire, and much more than sufficient to supply all the present Allies and neutral countries on the 1913-15 basis. The production of *crossbred* wool in the United Kingdom, New Zealand, and Australia (about 400,000,000 lb.) is amply sufficient to provide for the maximum requirements within the Empire, leaving a surplus available for, but not adequate to meet the full requirements of, our Allies. These cannot be met without obtaining large supplies from the Argentine and Uruguay, and this feature materially affects the wool problem in all its aspects, and especially with regard to price. India produces enough *low wool* to supply the United Kingdom, with some surplus for the Allies.
- (b) That arrangements have been made between His Majesty's Government on the one hand, and the Governments of Australia and New Zealand on the other, by which the former has purchased the whole of the wool clips of Australia up to the end of one full wool year, beginning 1st July, after the end of the War, and the New Zealand clips up to 30th June, 1918. Negotiations are understood to be proceeding for an extension of the arrangements for the purchase of New Zealand wool by the Imperial Government to the same period as in the case of Australia. A portion of the 1917-18 South African clip has been similarly acquired.

5. Requirements of the British Empire.

Taking 1913 as a standard year, and assuming that the consumption of imported wool in the United Kingdom in the first year after peace will be on similar lines, the figures of the United Kingdom consumption may be estimated as follows

	In millions of lb.
Merino	189.0
Crossbred	314.3

It should be noted, however, that this estimate is necessarily of the most approximate character, since the United Kingdom has very largely increased its consumption (especially of crossbred wool) owing to war conditions, and such increased consumption may continue, to some extent at least, after the War.

Of the other parts of the Empire, Australia, New Zealand, and the Union of South Africa are more than self-supporting. Canada will require a certain amount of imported supplies in addition to her home production, probably in excess of 21,000,000 lb. (the recorded imports in 1916). British India, whilst exporting a large amount of low wool, imports other varieties (38,000,000 lb. in 1916).

6. The Problem.

As regards wool generally, the British Empire occupies a very strong position, and the problem before it is largely connected with the allocation of its available supplies amongst the constituent parts of the Empire and amongst the Allies.

Apart from questions of allocation, the main points to be considered appear to be these:

- (1) So far as Australia and New Zealand are concerned, is the position adequately secured by the arrangements for purchase already made, or in contemplation, as stated above? In this connexion, the possibility of the existence of a considerable accumulation of supplies after the termination of the War, owing to lack of tonnage for export, should be borne in mind.
- (2) Is it desirable, and possible, to make similar purchasing arrangements in the case of the Union of South Africa? The question of accumulation referred to under (1) may be of importance in considering this.
- (3) Is it desirable to enter into negotiations with the Government of India with a view to securing the exportable surplus of East India wool for the Empire and the Allies?
- (4) In the event of purchasing arrangements or extensions of such within the Empire not being practicable, what other means of control are possible to secure that the exportable surplus is available for the needs of the Empire and the Allies?
- (5) In view of the fact, already stated, that the supplies of crossbred wool are not likely to be adequate to meet the full requirements of the Allies after the War, would it be desirable to invite the Governments of the Allies, particularly the United States and France, to consider the problem of securing the necessary additional supplies from the Argentine and Uruguay?

HIDES, SKINS, AND LEATHER.

1. Uses.

Hides and skins are used as the raw material of leather. A considerable quantity of undressed leather is imported into the United Kingdom for further treatment.

2 and 3. Sources of Supply and Output.

Hides and skins are exported from a large number of countries, but the principal supplies of the world market appear to be as follows:—

Country	Exports of 1912 (tons).
Russia	56,500
Germany	89,250
France	76,000
Italy	21,000
Argentina	140,000
Uruguay	30,000 (estimated)
India	67,000
British South Africa	26,000
Australia	(Weight not stated. Value, £3,700,000.

The principal leather manufacturing countries of the world in 1912 were the United States, Germany, and the United Kingdom. The values of their respective exports of leather and leather goods in 1912 were:—

United States	£3,230,000
Germany	11,500,000
United Kingdom	5,248,000

The German industry derived important quantities of hides from the British Empire—in 1913 about 20,000 tons out of a total import of 140,000. Within the British Empire India was the chief German source of supply (14,000 tons in 1913), and before the War the Indian hide market was dominated by German firms.

The British industry relied upon foreign and Empire hides and undressed leather in the following proportions:—

	Imports of 1912 (by value).	
	From the Empire.	From other countries.
Dry hides	£1,400,000	£1,000,000
Wet hides	700,000	2,400,000
Leather undressed	2,100,000	2,600,000
	<u>£4,200,000</u>	<u>£6,000,000</u>

4. Present Position.

In 1916 the imports into the United Kingdom of raw hides and undressed leather from Empire sources amounted to £6,100,000; from foreign sources to £7,200,000. The position, therefore, as regards the balance between foreign and Empire raw materials, had not changed very materially. The most satisfactory development during the War has been the increased use of East India hides in the United Kingdom for purposes for which they were formerly supposed to be unsuitable. The Government of India has taken steps to eliminate German interests from the Indian hide trade.

5. Requirements of the British Empire.

The imports of hides, skins, and undressed leather into the United Kingdom in 1912 were as follows:—

Calf-skins, dry	25,238 cwts.
Other dry hides	651,482 "
Calf-skins, wet	67,226 "
Other wet hides	872,663 "
Leather, undressed, hides	969,178 "
Leather, undressed, skins	181,459 "
Total	<u>2,767,246 "</u>

The Dominions and India are importers of leather and leather goods on a considerable scale. Canada imported before the War about 32,000 short tons of hides and skins per annum.

6. The Problem.

One main obstacle to the more extensive use of Empire hides and skins in the British leather industry has been that the United Kingdom tanneries specialized in producing grades of leather for which Argentine hides were the most suitable. Another has been that the marketing of Empire hides had fallen very largely into German hands before the War.

The main problems for consideration appear to be:—

- (1) How to prevent German control from being re-established in the hide and skin trade within the Empire, and
- (2) What steps can be taken in the producing countries of the Empire to increase the supply of hides adapted to the special requirements of the United Kingdom manufacturer.

RUBBER.

1. Uses.

RUBBER is principally used for motor and cycle tyres and as a waterproofing and insulating material.

2 and 3. Sources of Supply and Output.

Rubber is chiefly produced in the following countries:— 1916 figures.

Ceylon	26,000 tons
Federated Malay States	63,000 "
Straits	15,000 "
Dutch East Indies	33,000 "
Brazil	36,000 "
Bolivia	6,000 "
India	3,000 "

The world's output for 1916 was 202,000 tons; of which 108,000 were produced within the Empire. The world's output for 1917 was estimated at 265,000 tons. The difference between the figures for the two years is due to the rapidly increasing productivity of the plantations in the Straits Settlements and Federated Malay States and Dutch East Indies.

4. Present Position.

The world's consumption in 1916 was estimated at 190,000 tons. The principal consumers were the United States (116,000 tons), United Kingdom (27,000), France (14,000), Russia (8,500), Italy (8,000), Scandinavia (4,500). The combined consumption of Canada, Australia, and New Zealand is believed to have been rather less than 8,000 tons.

In 1913 the consumption of Germany was 16,500 tons, and of Austria-Hungary 3,000 tons. The demand for rubber in enemy countries after the War will hardly fall below the 1913 figures, and an increased demand may be expected from the United States. But the Rubber Growers' Association incline to the opinion that there will be a glut of rubber after the War, and a majority of the estates represented in the Association lately decided that it would be advantageous to reduce output in 1918 by twenty per cent. of the 1917 figures. How far the members will act on this resolution remains to be seen; in any case it would not have the effect of reducing the world's output by more than 30,000 tons.

5. Requirements of the British Empire.

The requirements of the British Empire in 1916 were only 35,000 tons; even if this figure is considerably exceeded in the transition period there should be no difficulty in meeting all British requirements out of the Empire crop.

6. The Problem.

It is, however, worth considering:—

- Whether the present system of controlling exports from British possessions by way of licence should be continued for a period after the War, to ensure that priority is given to the needs of the Empire and the Allies;
- Whether it is desirable to take any steps to preserve for the United Kingdom the position of the principal rubber market in the world;
- Although the Allies control a very large proportion of the world's output, it does not seem practicable to threaten Germany and Austria-Hungary with a rubber boycott. These Powers will always be able to buy considerable quantities in the Dutch East Indies, in Mexico, and in South America. But it is worth considering whether our present enemies should be allowed to obtain rubber from markets controlled by the Empire and the Allies without any compensation. Germany before the War obtained seventy per cent. of her gross imports from the British Empire and from Brazil. It may, therefore, be presumed that the German trade preferred rubber obtained from these sources.

OLEAGINOUS PRODUCTS.

1. Uses.

OLEAGINOUS produce includes vegetable and animal oils and fats and oil seeds and nuts, and forms the raw material from which margarine and other edible fats, frying and salad oils, soap and candles, cattle cake, paint and varnish, and various lubricants are made; certain oils are also used in the manufacture of linoleum, tin-plates, and woollens. The following table shows the main uses of the various oils and fats:—

	Margarine.	Other edible purposes.	Soap and Glycerine.	Other technical purposes.
Castor oil	—	—	Yes	Yes—as a lubricant, especially for aircraft engines and for dyeing and medicinal purposes.
Coco-nut oil	Yes	Yes	Yes	Yes—as a lubricant.
Cotton-seed oil	Yes	Yes (especially fish frying)	Yes	Yes—lubricants, cutting compounds for high-speed tools, and steel hardening.
Ground-nut oil	Yes	Yes	Yes	—
Linseed oil	—	Yes	Yes	Yes—for paint, varnish, linoleum.
Palm oil	—	—	Yes	Yes—in tin-plate manufacture and for candles and lubricants.
Palm-kernel oil	Yes	Yes	Yes	—
Rape oil	Yes (by Dutch firms)	Yes	Yes	Yes—for burning and lubricants
Sesame oil	Yes	Yes	Yes	—
Soya oil	Yes	Yes	Yes	—
Olive oil	—	Yes	—	Yes—in woollen manufacture
Neutral lard	Yes	Yes	—	—
Oleo oil	Yes	Yes	—	—
Premier jus	Yes	Yes	—	—
Stearine (beef and mutton)	Yes	Yes	—	—
Tallow	—	Yes	Yes	Yes—candles and lubricants.
Whale oil	Yes	Yes	Yes	Yes—lubricants.
Fish oil	—	Yes	Yes	Yes—as lubricant and for saddlery.

2. Sources of Supply.

(1) Seeds, Nuts, and Kernels.

Castor-seed: mainly from India.

Copra: from Ceylon, India, Straits Settlements, Dutch East Indies, Zanzibar, Philippines, and Pacific Islands.

Cotton-seed: from Egypt and India.

Ground-nuts: shelled, from India, Nigeria, and China; unshelled, from the Gambia and Senegal.

Linseed: from the Argentine, India, Russia, and Canada.

Palm kernels: from West Africa—chiefly Nigeria and Sierra Leone.

Rape-seed: from India, Russia, China, and Roumania.

Sesame: from India and China, and, to a small extent, from the Sudan, East Africa Protectorate, and Nigeria.

Soya beans: from China and Japan.

(2) Vegetable Oils.

Castor oil: mainly expressed in United Kingdom from imported seed.

Coco-nut oil: from Ceylon, Straits, India, and Philippines.

Cotton-seed oil: from United States of America, and expressed in United Kingdom from Egyptian and Indian cotton-seed

Ground-nut oil: expressed in the United Kingdom usually from mixed shelled (Nigeria) and unshelled (Gambia) ground-nuts.

Linseed oil: expressed in United Kingdom from imported linseed.

Palm oil: from West Africa—chiefly Nigeria and Sierra Leone.

Palm-kernel oil: expressed in United Kingdom.

Rape oil: expressed in United Kingdom.

Sesame oil: expressed in United Kingdom.

Soya oil: expressed in United Kingdom.

Olive oil: from Italy, Spain, and France.

(3) *Animal and Fish Oils.*

Neutral lard, oleo oil, premier jus, stearine: mainly from United States of America and Argentine.

Tallow: from Australia, New Zealand, Argentine, and, to smaller extent, from China, United States of America, Uruguay, etc.

Whale oil, fish oil: from Falkland Islands and Southern Ocean whale fisheries, from Norway, Japan, Cape, and Newfoundland.

3. *Output.*

The crops of many of the principal oil seeds vary greatly from year to year. A rough estimate of the amounts likely to be available for export from the chief producing countries after the War is given below:—

Article.	Supplies likely to be available.	Remarks.
Castor seed ...	India has usually about 100,000 tons of seed available for export. In 1913-1914 135,000 tons were exported, which was considerably above the normal. It is not, however, improbable that recent developments may lead to permanent increase in the exportable surplus.	Germany was only a comparatively small consumer (6,000-10,000 tons), the chief Continental users before the War being Italy, France, and Belgium, which took together about 45,000-48,000 tons. The United States of America took about 20,000 tons.

Article.	Supplies likely to be available.			Remarks.
	Copra.	Coco-nut Oil.	Coco-nut Oil and Oil Value of Copra.	
	Tons.	Tons.	Tons.	
Copra and coco-nut oil:—				
Ceylon ...	50-70,000	45,000	77-90,000	The Governor recently estimated that if the existing mills were worked to their full capacity Ceylon could export 50,000 tons of oil a year, of which 10,000 tons would be native-made oil, which is inferior to factory-made oil. A very large amount of copra is crushed in India by rough native methods, and is consumed locally. It is possible that the supply of copra and oil available for export could be increased.
India ...	35,000	6,000	28,000	
Malay Peninsula...	32,000	—	20,000	
Zanzibar ...	10,000	—	6,000	
British Pacific Islands (Fiji, Solomon Islands, Gilbert and Ellice Islands) and Tonga ...	34,000	—	22,000	The Straits Settlements can normally export about 10,000 tons of oil and 100,000 tons of copra. But of this only about 32,000 tons of copra is produced in British Malaya. The rest is imported into the Straits Settlements mainly from the Dutch East Indies, and is included in their exports.
Philippines ...	80-140,000	15,000	66-105,000	
Dutch East Indies	120-160,000	—	77-102,000	During the War the copra-crushing industry has been extended considerably in the Philippines, the oil going largely to the United States of America.
Other Countries (say) ...	40,000	—	26,000	
Total ...	401-521,000	66,000	322-399,000	Crushing on a large scale has increased during the War, but it is mainly for local consumption up to the present.

Article.	Supplies likely to be available.	Remarks.
Cotton-seed and cotton-seed oil	<i>Cotton-seed.</i> From Egypt, 300,000 tons From India, 200,000 tons <i>Cotton-seed oil.</i> From United States of America, say, 80,000 tons	Exports of cotton-seed and cotton-seed oil vary a great deal from year to year with the cotton crop.
Ground-nuts ...	From India, 196,000 tons (shelled) From Gambia, 65,000-95,000 tons (unshelled) From Nigeria, 51,000 tons (shelled) From Senegal, 190,000 tons (mainly unshelled) From China, 68,000 tons	Marseilles is the chief centre of the ground-nut crushing industry. In 1914 imports into France of ground-nuts were 540,000 tons.
Linseed ...	From India, 200,000-400,000 tons From Canada, say, 250,000 tons From the Argentine, 800,000-1,000,000 tons From Russia, normally about 150,000 tons.	The Canadian surplus normally goes to the United States of America, which also takes some 150,000 tons of the Argentine crop. Linseed is a crop which varies greatly in amount from year to year. The average production in India has been about 443,000 tons, of which about 330,000 tons have been exported.
Palm oil ...	British West Africa, 85,000-90,000 tons French West Africa, 18,000 tons Togoland, 2,000 tons Cameroons, 3,000 tons	If by the end of the War trading stations have been opened along the recently-completed Eastern Railway of Nigeria the amount of both palm oil and palm kernels available from British West Africa should show an appreciable increase.
Palm kernels ...	British West Africa, 240,000 tons French West Africa, 50,000 tons Togoland, 10,000 tons Cameroons, 15,000 tons	In 1917 Nigeria exported 186,000 tons <i>See note above regarding palm oil.</i>
Rape seed ...	India, 270,000 tons Russia, 30,000 tons	India produces over 1,000,000 tons a year.
Sesame ...	India, 120,000 tons China, 74,000 tons	—
Soya beans and soya-bean oil	China and Japan:— Soya beans, 500,000 tons Soya-bean oil, 35,000 tons	Total production in China and Japan is from 1,000,000 to 1,500,000 tons of soya beans.
Neutral lard ... Premier jus ... Oleo oil ... Stearine (beef and mutton)	—	These are not distinguished in the Customs returns of the United Kingdom.
Tallow ...	Australia and New Zealand, 80,000-90,000 tons United Kingdom, ? The Argentine, 35,000-50,000 tons	These are normal pre-War exports. Exports have fallen off during the War owing partly to drought in Australia in 1915, but since then mainly to the shipping shortage. There is a considerable home melt of tallow and greases. Before the War much of this was exported, as United Kingdom manufacturers preferred the imported article, which is superior in quality. It is difficult to form any estimate of the amount of this home melt after the War.

Article.	Supplies likely to be available.	Remarks.
Whale oil and fish oil	Falkland Islands and Dependencies, 80,000 tons Australia and New Zealand, ? South Africa, ? Newfoundland, ?	<i>Whale Oil.</i> Australian production, say, 2,000-3,000 tons, of which a large proportion is used locally. South African exports during 1911-1915 were from 5,000-10,000 tons, but less than 1,000 tons in 1917. A considerable proportion of production is used in South Africa. Newfoundland normally exported 1,000-2,000 tons, but in 1916-1917 only about 800 tons. <i>Fish Oil.</i> Newfoundland exports of cod oil are normally from 4,000-5,000 tons, and of seal oil from 3,000-4,000 tons.

4. Present Position.

The question of securing command of adequate supplies of oleaginous produce for the requirements of the British Empire and of the Allies is a very complex one, owing to:—

- The number of oil seeds and oils involved;
- The number of countries in which they are produced;
- The fact that many oils are interchangeable and that of these some are interchangeable for several or all purposes, while others are interchangeable for only one purpose;
- The differences in the relative amounts of the oil and oil cake produced from the oil seeds, and different values of the oil cakes as food for animals.

The following table gives the percentages of crude oil usually obtained in the United Kingdom from the principal oil seeds:—

	Percentage of crude oil.
Castor seed	43
Copra	64
Cotton-seed (undecorticated)	18
Ground-nuts (shelled)	40
" (unshelled)	30
Linseed	33½
Palm kernels	44
Rape-seed	33½
Sesame	50
Soya beans	12

- The fact that, as the amounts of oil seeds, oils, and oil cake required by the British Empire and the Allies are, in the aggregate, very considerable, a large amount of shipping tonnage will be required to transport them from the countries in which they are produced to the countries in which they are used, and that, therefore, for a certain time after the War shipping considerations may render impracticable the realization of what would otherwise be the best programme for supplying the requirements of the British Empire and of the Allies.

In 1913 the net imports of oil seeds and nuts into the United Kingdom amounted to nearly 1,400,000 tons. In addition, about 375,000 tons of oils and fats (not including lard) were imported, and about 222,000 tons were exported. The net imports of oil cakes were 353,000 tons.

Before the War the German imports of oil seeds and nuts were from 1,400,000 to 1,700,000 tons, and the French about 950,000 tons. Of the German imports, between forty and fifty per cent. came from the British Empire. In particular, Germany depended mainly upon Egypt for cotton-seed, on British West Africa for palm kernels, and on India for rape-seed.

After the War there is certain to be an abnormal demand from Germany for oleaginous produce. She will, no doubt, be able to obtain considerable quantities from non-British countries—e.g., linseed from Russia and the Argentine, soya beans

from China, and copra from the Dutch East Indies. But these will not suffice to supply all her requirements.

The principal articles of oleaginous produce of which it may be desirable to control the export from the the British Empire for a certain period after the War appear to be:—

- (1) Palm kernels, copra, and coco-nut oil. These provide the vegetable "hard oils" required for margarine making; and for some time after the War the available world's supply of these will probably be appreciably less than the demand. British West Africa produces about 240,000 tons, or four-fifths of the total world's exports, of palm kernels; and French West Africa about 50,000 tons. The United Kingdom and France could, therefore, almost completely control the supply of palm kernels, which, before the War, were nearly all crushed in Germany. With copra and coco-nut oil the position is different, as a large proportion of the exports of copra come from the Dutch East Indies and the Philippines (200-300,000 tons). Most of the copra and coco-nut oil which are exported from the Straits Settlements were first imported in the form of copra from the Dutch East Indies.

The average imports of copra and coco-nut oil by Holland and Denmark before the War were about:—

	Copra in tons.	Oil in tons.	Total oil- value in tons.
Holland	95,000	16,000	77,000
Denmark	28,000	5,000	23,000

Germany imported about 190,000 tons of copra a year, as well as about 250,000 tons of palm kernels. If she is unable to obtain British West African palm kernels she will be driven to rely more on copra. The same applies, to some extent, to Holland, whose margarine manufacturers used palm-kernel oil made in Germany. In 1915 France imported 146,000 tons of copra.

Japan has been taking considerable quantities of copra recently and re-exporting the copra—or making and exporting the oil—to the United States of America.

The world's demand for imported copra and coco-nut oil in terms of oil may be put—very roughly—at:—

Supply	322-399,000 tons
Demand:—	
United Kingdom	144,000 tons
Holland (say)	80,000 "
France (say)	90,000 "
Denmark	23,000 "
United States of America (say)	70,000 "
Germany (say)	150,000 "
Other countries (say)	30,000 "
Total (say)	587,000 tons

The shortage of coco-nut oil will no doubt to a large extent be met at first by the margarine manufacturer using more hydrogenized oils and animal fats, and by other consumers using other oils as substitutes for coco-nut and palm-kernel oil. Later on it will probably be met by increased exports of copra and coco-nut oil from the main producing countries—especially India.

- (2) Cotton-seed, and ground-nuts and their oils. These are the "soft oils" normally used in the United Kingdom for margarine. They are also largely used for other edible purposes and in many industries. The main sources of cotton-seed oil are:

- Decorticated cotton-seed oil from the United States of America;
- Oil expressed from cotton-seed imported from Egypt and India, which are the only countries within the Empire which export cotton-seed on a large scale.

The only large importers of cotton-seed before the War were the United Kingdom and Germany.

Ground-nuts come to the United Kingdom mainly from the Gambia and Nigeria. If the export of the Gambia and Nigerian ground-nuts were controlled the United

Kingdom would probably not require any considerable quantity of Indian ground-nuts, which, shipped in the shelled form, are inferior on arrival in the United Kingdom to West African ground-nuts. But Indian ground-nuts are of great importance to France, whose supplies may be imperilled if Germany is allowed to buy without restriction in the Indian market.

Unless the crop of cotton after the War is a very large one the British and German demand for cotton-seed may exceed the supply available, especially if the local consumption of the oil continues to increase in Egypt.

(3) As regards linseed, it may be assumed that after the War the Canadian surplus, unless a very large one, will continue to be absorbed by the United States of America, which will also require some portion of the Argentine crop. Germany will no doubt obtain its linseed mainly from Russia and the Argentine. Unless the crops in the exporting countries are large there may be a shortage in linseed as compared with the world's requirements.

The increase in the manufacture of margarine in the United Kingdom will necessitate the importation of larger quantities of premier jus and neutral lard. Provided that freight can be made available Australia and New Zealand may be able to supply larger quantities of premier jus than hitherto, though the main supplies will presumably have to be obtained by the United Kingdom from the Argentine and the United States of America.

5. Requirements of the British Empire.

An estimate of the requirements of the United Kingdom after the War is as follows:—

	Margarine.	Other edible purposes.	Soap and Candle-making.	Other technical purposes.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.
<i>Vegetable oils.</i>					
Castor oil ...	—	—	—	21,000	21,000
Coco-nut oil and palm-kernel oil ...	240,000	8,000	5,000	1,000	254,000
Cotton-seed oil ...	100,000	70,000	10,000	10,000	197,000
Ground-nut oil ...	—	—	3,000	4,000	—
Linseed oil ...	—	—	25,000	80,000	105,000
Palm oil ...	—	—	50,000	10,000	60,000
Rape oil ...	—	—	—	12,000	12,000
Sesame oil ...	—	4,000	—	—	4,000
Soya oil ...	—	8,000	—	3,000	11,000
Olive oil ...	—	5,000	—	6,000	11,000
<i>Animal fats.</i>					
Neutral lard ...	—	—	—	—	—
Olco oil ...	—	8,000	—	—	—
Premier jus ...	60,000	80,000	—	—	108,000
Stearine (beef and mutton) ...	—	10,000	—	—	—
Tallow ...	—	7,000	50,000	7,000	64,000
Whale oil ...	—	—	30,000	8,000	38,000
Fish oil ...	—	—	—	6,000	6,000
	400,000	150,000	*178,000	166,000	889,000

* Plus at least 32,000 tons of soap stock.

It will be seen that about 889,000 tons of oils and fats will be needed for the United Kingdom alone. This is based on the following assumptions:—

(a) That after the War, at any rate until supplies of butter increase substantially, the United Kingdom will require about 400,000 tons of margarine a year, as against about 150,000 tons a year before the War; and that it will be necessary to manufacture the 400,000 tons in the United Kingdom, as the margarine factories in Holland will probably send nearly all their surplus margarine to Germany.

(b) That the requirements of the soap and candle industries of the United Kingdom will be met by about 173,000 tons of oils and such soap stock as is produced by the oil refineries.

The consumption of these industries was:—

In 1915 ...	207,000 tons of oil.
In 1916 ...	255,000 "
In 1917 ...	264,000 "

In 1918 it is expected to be 164,000 tons of oil. The increase in consumption in 1916 and 1917 was mainly due to the great demand for glycerine for munitions. This special demand will cease with the War, and glycerine will return to its position as a by-product.

(c) That the amount of linseed oil required by the United Kingdom manufacturers for paint, varnish, and linoleum will be about 70,000 tons a year.

(d) That the soap and candle makers of the United Kingdom who have had to use considerably more palm oil than before the War will continue to do so to a large extent.

As regards the requirements of the rest of the British Empire and of the Allies, it has not been possible for us to arrive at any satisfactory estimate, and it is desirable that the Government of each part of the Empire should proceed to examine the question for that country and inform His Majesty's Government of the result.

The probable requirements of the Allied countries also need to be ascertained as far as they can be in present circumstances. The War has caused changes in the quantities and kinds of oils used in various countries. Some of these changes will probably be maintained to a considerable extent after the War. Accordingly, neither imports before the War nor imports during the War form altogether a safe guide for estimating post-War requirements.

6. The Problem.

The principal problems to be solved may be summed up as follows:—

- (1) How to secure for the British Empire and the Allies the required amounts of those oils of which there will probably be a world shortage for a time. These will probably be coco-nut and palm-kernel oil, and may to a lesser extent include cotton-seed and ground-nut oils and linseed oil.
- (2) How far a world shortage of the above-mentioned oils, and the consequent demand of other countries for other oils as substitutes, will render it necessary to extend the control of Empire supplies to other oils and oil seeds.
- (3) What form of control should be adopted in the case of those oil seeds or oils which it is ultimately found to be necessary to control, and how a fair price can be secured to the producers within the Empire who in many cases have suffered considerably during the War, since, in consequence of war restrictions on exportation and on the use of shipping, the prices paid in the country of production have been a good deal below pre-War prices in spite of the high prices paid by consumers for that produce in the countries to which it was possible to export it.

PETROLEUM.

1. Uses.

PETROLEUM is used for fuel and as an illuminant; also it is the source of lubricants and motor spirit.

2 and 3. Sources of Supply and Output.

The following are the main figures of production (in metric tons) for the year 1911:—

	Production.	Per cent. of total.
United States ...	29,393,252	63.80
Russia ...	9,066,259	19.16
Galicia ...	1,458,275	3.04
Eastern Archipelago ...	1,670,668	3.52
Roumania ...	1,544,072	3.21
British India ...	897,184	1.87
Mexico ...	1,875,522	4.07
Japan ...	221,187	0.48
Peru ...	186,405	0.40
Germany ...	140,000	0.29
Canada ...	38,813	0.08
Italy ...	10,000	0.02
Hungary ...	—	—
Other countries ...	26,667	0.06

4. Present Position.

Since 1911 the output of the United States has increased both absolutely and relatively. The United States output for 1915 was about sixty-six per cent. of the world's production. The output of Mexico has enormously increased; in 1916 it was 5,300,000 metric tons, or 8.6 per cent. of the world's production.

New sources have been opened under British control in Egypt and in Persia. The Egyptian output for 1916 was, however, only 55,000 metric tons. Production in Trinidad rose to 133,000 metric tons. But these and other developments have not materially altered the petroleum position within the Empire. The total production from Empire sources in 1917 was under three per cent. of the world's production. The greater part of the Empire supplies was produced in India.

Potential sources of supply exist in western Canada, New Brunswick, Newfoundland, New Zealand, and New Guinea.

5. Requirements of the British Empire.

The following are the chief figures of domestic requirements (additional to any supplies locally produced) in the principal consuming countries of the Empire:—

Canada: 27,000,000 gallons (imports of all petroleum products in 1913).

Australia: 19,000,000 gallons (of kerosene, 1913 figures).

South Africa: 18,000,000 gallons (of lubricating oil, paraffin, and motor spirit, figures of 1913).

New Zealand: not distinguished from other oils in the trade returns.

India: 66,000,000 gallons (of kerosene, figures of 1913).

United Kingdom: 390,000,000 gallons (of all petroleum products, figures of 1913).

6. The Problem.

So far as the period of reconstruction is concerned, there is nothing which can be done to alter the main facts of our position. With regard to eventual developments, the problems appear to be:—

- (1) What measures can be taken to promote the exploitation of the proved but undeveloped petroleum fields within the Empire?
- (2) Whether it is desirable and possible to secure for Government purposes (as has already been done in Trinidad and New Zealand) an option over the supplies produced from British sources, or to reserve specified oil-bearing areas to be developed for naval and military requirements?
- (3) Whether it is advisable that, as in the Colonies and Protectorates, all prospecting for, boring, and getting of oil on Crown lands should be made subject to Government licence?
- (4) What steps can be taken to provide that the petroleum output of the Empire shall be refined within the Empire?

COPPER.

1. Uses.

ABOUT two-thirds of the world's copper production is absorbed in the electrical industry (viz., in production of dynamos, cables, etc.). Another great use of it is in the marine locomotive and general engineering industries; a large number of copper alloys, particularly brass, bronze, and German or nickel silver, are of great importance in industry and art.

2. Sources of Supply.

Prior to the War the United States of America produced nearly fifty-five per cent. of the world's output of copper ore (measured by smelted contents), which was in the neighbourhood of 1,000,000 tons per annum. Smaller sources of supply were Japan, Spain, Australia, Russia, Canada, Mexico, Germany, Chile, Peru, Bolivia, and the Belgian Congo.

Since the War production has increased largely, and the world's output was estimated at 1,400,000 tons in 1916, of which the United States produced sixty-two per cent. The output of Japan has also increased; another source of supply which is developing rapidly is the Katanga Mines (Belgian Congo).

3. Output.

In smelter production of copper the United States produced nearly sixty per cent. of the world's output in 1913, as will be seen from the table below:—

	Copper ore production (smelted contents). Tons.	Smelter production of copper. Tons.
United States	548,000	580,000
Japan	72,000	75,000
Mexico, Chile, Peru, and Bolivia ...	120,000	88,500*
Spain	50,000	23,000
Russia	42,000	34,000
Germany	25,000	40,000
Australia	46,500	41,000
Canada	34,000	14,000
United Kingdom	400	51,000
Estimated world total	990,000	985,000

This table indicates:—

- (a) That the three principal smelting centres within the Empire were the United Kingdom, Canada, and Australia.
- (b) That the United Kingdom was mainly dependent on outside sources for the content of its smelted copper. In fact both the copper ores and the regulus, precipitate, etc., which it imported came largely from foreign sources.
- (c) That Canadian copper ore went largely outside Canada for refining.

Since the War copper refining has been developed in Canada, but not in the United Kingdom.

4. Present Position.

The salient feature of the copper position, so far as the British Empire is concerned, is the small proportion of its copper supplies obtained from within its limits. The smelting capacity of the United States is now estimated at some 1,000,000 tons per annum, with possibilities of further increase. Its exports of copper of all kinds have averaged nearly 400,000 tons per annum for the period 1913-17. So far as the United Kingdom is concerned its smelting capacity, as has been shown, is limited. Its pre-War consumption of refined copper was about 120,000 tons per annum, of which only some 33,500 tons originated within the Empire.

Since the War its consumption has increased largely, but, owing to the favourable purchasing arrangements made for United States copper, its smelting capacity has not similarly increased.

His Majesty's Government has now taken over all the copper supply of Great Britain, and, amongst other things, has, during the last two years, purchased the whole of the exportable surplus of refined copper from Australia.

5. Requirements of the British Empire.

The requirements of the various parts of the British Empire for refined copper after the War may be estimated at about 180,000 tons in all per annum, of which the United Kingdom will need, say, 150,000 tons.

6. The Problem.

There is no cause to expect an acute shortage of supplies after the War, even after allowing for arrears of civilian consumption, provided that tonnage is available for the prompt shipment of supplies from the producing to the consuming industries. But, since more than one-half of the world's output is refined in the United States, there is a danger that the United Kingdom may become unduly dependent on one source of supply. The problem before the British Empire may be said to concern all the Governments, in so far as it depends on securing within the Empire adequate supplies of copper, so as to ensure that it shall not be unduly dependent on other sources. In particular the following points suggest themselves:—

* The 1912 figure was 104,000, made up of: Mexico 44,000, Chile 25,000, and other South America 35,000.

- (1) How can the United Kingdom secure sufficient raw material from within the British Empire to justify the erection of a refinery large enough to compete economically with the large existing plants in foreign countries? This might, of course, involve the provision of special shipping facilities.
- (2) What steps can be taken to promote copper production in other parts of the Empire (particularly in Canada, Australia, and the Union of South Africa) where there exist possibilities of development?
- (3) In the case of Canada, are steps possible to secure a larger proportion of her exports of copper, copper regulus, etc., within the British Empire; also, are further means available of expanding her smelting and refining industry?
- (4) In the case of Australia, is it possible to find full employment for her copper refineries, which are said to have a capacity of 20,000 tons in excess of her actual output?

LEAD AND ITS ORES.

1. Uses.

The main uses of lead are for cable and accumulator making, ammunition, roofing, chemical plant, paints, alloys, and for pipes, sheets, etc., for the building trade.

2. Sources of Supply.

Prior to the War—

- (1) Well over four-fifths of the world's annual output of lead ore was mined in five countries, viz., the United States, Australia, Spain, Mexico, and Germany.
- (2) Nearly nine-tenths of the world's output of smelted or refined lead was produced in the same five countries, with the addition of Belgium.

3. Output.

The output of (1) lead ore, (2) smelted or refined lead (in terms of metallic lead contents), may be seen from the following table:—

	Lead ore produced (metallic lead contents).		Output of metallic (smelted or refined) lead.	
	1912. Tons.		1912. Tons.	1913. Tons.
United States ...	371,000		381,000*	401,000*
Australia ...	214,000		112,000	114,000
Spain ...	167,000		229,000	200,000
Mexico ...	198,000		108,000	61,000
			(exports)	
Germany ...	76,000		189,000	178,000
Belgium ...	Insignificant		54,000	50,000
Estimated world total	1,120,000		1,200,000	1,170,000

It should be noted that the Commonwealth smelted only about half its lead concentrates, the other half going to Germany, Belgium, the Netherlands, and Austria-Hungary.

The following were the rough pre-War (1912) proportions of lead in ore and smelted or refined lead produced respectively by Empire, Allies, neutrals, and enemy territories:—

	Lead in ore. per cent.	Smelted or refined lead. per cent.
Empire ...	23	13
Allies, etc. ...	41½	41
Neutrals ...	25	28
Enemy territories ...	10½	18
	100	100

* Excluding lead refined from Mexican silver-lead bullion.

4. Present Position.

The United States, since the War, has increased its output, which is now in the neighbourhood of 550,000 tons per annum of smelted or refined lead. As regards the Empire, its consumption of metallic lead averaged about 232,000 tons per annum before the War, made up as follows:—

United Kingdom ...	179,000 tons.
Canada ...	22,000 "
Australia ...	9,500 "
Other Empire ...	1,000 "

The lead smelted and refined within the Empire from Empire ores represented some seventy-three per cent. of its requirements. The ore produced within the Empire was, however, sufficient to cover all its requirements in the way of metallic lead.

Since the War, owing to the Australian policy of encouraging local smelting of its silver-lead concentrates and refining of the resulting bullion, and as a consequence of developments in Canada and Burmah, the production of smelted or refined lead within the Empire should be more than sufficient to cover its requirements. The Australian smelters alone are estimated to have a capacity of 200,000 tons of metallic lead per annum. The Board of Trade is understood to be negotiating with the Australian producing companies for the purchase of their exportable surplus for a period of years.

5. Requirements of the British Empire.

The requirements of the United Kingdom after the War may be estimated at well over 200,000 tons of metallic lead per annum. To this should be added those of Canada, Australia, and the rest of the Empire, which will amount, perhaps, to 40,000 tons.

6. The Problem.

It is believed that the United Kingdom and those of the Allies whose supplies are not fully assured (especially Italy and Japan, which need about 16,000 tons apiece) will easily absorb the whole Australian output. The needs of the United States are covered by domestic production. Those of France are covered owing to her control of the Penarroya mines in Spain. Further measures, however, appear to be called for if the Empire is to be self-sufficient and also capable of assisting the Allies in respect of lead. The main problems seem to be as follows:—

- (1) In the United Kingdom the smelting industry has hitherto depended upon ores imported from Australia and various foreign countries, to the extent of thirty to fifty per cent. of its total production of metallic lead. Australian supplies will be cut off as a consequence of the new Australian policy, and it is desirable that alternative Empire sources of supply should be found and conserved. Similarly, the lead refining industry of the United Kingdom will require any silver-lead that can be obtained from Empire sources. What steps can be taken to develop the necessary alternative Empire supplies? (It is understood that a suggestion has been made by the Ministry of Reconstruction that a minimum price of £18 per ton should be guaranteed for ten years for all pig lead produced in the United Kingdom from British ores.)
- (2) In British Burmah the Burmah Corporation is beginning to produce on an important scale (present output of metallic lead estimated at 16,000 tons per annum). Is it desirable that whatever terms are offered by the Board of Trade to the Australian producers should also be offered to the Burmah Corporation? This course has, we understand, been recommended by the Ministry of Reconstruction.
- (3) In Canada lead is produced at the rate of about 17,000 tons per annum, but the actual consumption is estimated at 23,000 tons. Lately Canada has exported some ores to the United States and has imported metallic lead from the States. Is it possible for Canada to become self-sufficing as regards lead supplies?

MANGANESE.**1. Uses.**

The chief uses of manganese ore are in connexion with the steel industries, in the form of the alloys known as ferro-manganese and spiegeleisen.

2. Sources of Supply.

The main sources of production were, in 1913:—

India	...	...	...	...	683,000 tons.
Russia	...	...	...	...	1,000,000 "
Brazil	...	...	...	...	120,000 "

3. Output.

Since the beginning of the War the Russian output has been negligible, the Indian output has been reduced by thirty-four per cent.; but the Brazilian output has enormously increased (495,000 tons in 1916). The Gold Coast is at present producing about 36,000 tons a year, but the output is to be considerably increased in the near future. Australia produces a small amount of high-grade ore, which is utilized locally for the most part. Small quantities have been obtained from South Africa.

4. Present Position and Prospects.

The following table shows the quantities imported in 1913 by each of the four great consumers from the three chief centres of production.

	(In tons.)		
	From India.	From Russia.	From Brazil.
United Kingdom	309,000	242,000	19,000
United States of America	142,000	124,000	70,000
France	86,000	134,000	7,000
Germany	178,000	447,000	22,000

These quantities were above the average, owing to the low freights of 1913. The average pre-War imports of the United Kingdom, for example, were 450,000 tons as against 600,000 tons in 1913.

During the War the United Kingdom has come to rely almost entirely upon Indian ores, and the United States upon Brazilian ores. In 1916 the United Kingdom imported (for private account) 421,000 tons of Indian ores, which was little less than the whole Indian output for that year; while the United States took 472,000 tons of Brazilian ores out of a total output of 495,000 tons.

The situation to be expected after the War is that:—

- Germany* will take the main output of the Chiaturi (Russian) mines, which is about 900,000 tons per annum. It is reasonable to suppose that the German iron and steel masters will set to work to build up their depleted stocks of these ores, and that their annual consumption will be abnormal for some time after the War.
- The *United States* will rely mainly on Brazil; they may also undertake the development of the Mexican deposits, which are reputed to be the richest in the world. But this development will take time; and, till the Mexican or other supplies are developed, the United States will absorb the main Brazilian output.
- The *United Kingdom, France, and Belgium* (which was a small consumer) will rely mainly upon India. The united demands of the three countries for Indian ores in the first year after peace will be from 350,000 to 400,000 tons, and may eventually rise to 900,000 tons.

5. Requirements of the British Empire.

Canada is likely to require after the War 23,000 tons of spiegeleisen and ferro-manganese (of which 10,000 tons are locally produced).

United Kingdom requirements are uncertain, but probably 450,000 tons.

6. The Problem.

There is no urgent problem which affects the Dominions in connexion with manganese. Though the Indian production has fallen to a little over 400,000 tons, India should have no difficulty in meeting the demands of the United Kingdom, France, and Belgium in the twelve months after peace.

The United Kingdom and the European Allies may find it convenient to derive a part of their supplies from sources nearer at hand than India, if there is a shortage of shipping after the War. High-grade ores are obtainable from the Gold Coast (up to 100,000 tons per annum) and low-grade ores from the Sinai Peninsula. These sources are likely to be valuable in the future if India decides to use her own manganese in developing her own iron and steel industries.

Australia appears to be self-sufficient in respect of manganese; and the small quantity of ores which Canada requires to import can probably be obtained most economically through the United States.

The main problems affecting the British Empire appear therefore to be:—

- (1) In what manner could the Governments of India and the Gold Coast regulate exports after the War, so as to render secure the requirements of other parts of the British Empire and the Allies?
- (2) In what way can Canada best secure the amount which she is likely to require?

NICKEL (Refined and Matte).**1. Uses.**

NICKEL is used in a large number of non-ferrous alloys and as a protecting and hardening cover for articles made of other metals. Nickel steel is largely used for armour plating and structural work. It is also used for coinage.

2. Sources of Supply.

Of the total supply of nickel ore in the world Canada produces about seventy per cent.; New Caledonia contributes the greater part of the remainder. Minor sources of supply are Norway, Madagascar, the United States, Australia, and South Africa.

3. Output.

The output of metallic nickel (refined from nickel ore and matte) for the period 1909-13 averaged 24,000 tons a year and was steadily increasing. Of this the United States produced about 12,000 tons, England and Germany about 5,000 tons each, and France and others smaller quantities.

4. Present Position.

The Canadian nickel deposits have been, hitherto, mainly in the hands of two companies, viz., the Mond Nickel Company and the Canadian Copper Company, the latter being a subsidiary of the International Nickel Company of New York. These companies owned the mines and roasted and smelted the ore locally into matte, usually containing about eighty per cent. of nickel and copper (the actual contents vary, but roughly average two of nickel to one of copper).

Before the War nickel was not extracted from the matte in Canada. The Mond Nickel Company sent the matte to its works in South Wales for refining and separation. The Canadian Copper Company, which dealt with larger quantities than the Mond Company, sent its matte to New Jersey for refining.

Since the War the Canadian Copper Company has started a refinery of its own at Port Colborne, Ontario. Also another company, called the British America Nickel Corporation, has started operations in Ontario, and, when its plant is complete, will carry out refining there.

Part of the present supplies of nickel ore for the United Kingdom come from New Caledonia to a company called the Société le Nickel.

It should be remembered that Germany and Austria-Hungary consume eight to ten thousand tons of nickel per annum and produce practically none.

5. Requirements of the British Empire.

Setting aside the amount required locally in Canada, the main demand for nickel within the Empire is likely to come from the United Kingdom and to be in the neighbourhood of 14,000 to 15,000 tons of refined nickel per annum.

Two of the companies operating in the British Empire, namely, the Mond Nickel Company and the Société le Nickel, are expected to be capable of producing 13,800 tons of refined nickel per annum after the War as soon as tonnage is available for

importing the necessary ores. To this has to be added the amount produced by the refining of the Canadian Copper Company at Port Colborne, of which particulars are not yet available.

Further supplies for the Empire are assured by an agreement with the British America Nickel Corporation under which His Majesty's Government has a controlling interest in the Corporation.

6. The Problem.

The problem before the Empire of securing command of adequate supplies of nickel for itself and the Allies appears to be a comparatively simple one and mainly to affect Canada. It may be described under the following heads:—

- (1) How to ensure that adequate supplies of Canadian nickel ore shall always be available to meet the Empire's requirements.
- (2) How to assist the Allies who are in need of Canadian nickel. Their requirements are not at present known, but it may be assumed that the largest demand will come from the United States.
- (3) Whether it is desirable to enter into an agreement between His Majesty's Government, Canada, the United States, and France to pursue a common policy respecting the sale of nickel and its ores.
- (4) Whether, if this policy is carried out, it is desirable for Canada to restrict the exportation to oversea destinations of nickel and its ores by means of export licences.

SPELTER AND ZINC CONCENTRATES.

1. Uses.

THE galvanizing industry accounts for the largest proportion of the world's production of metallic zinc (known commercially as spelter). A good deal is used in the composition of brass, whilst other minor uses of the metal are for rolled zinc sheets, plates, and rods, zinc dust (used in gold extraction and in the dyeing and textile industries), and zinc oxide and lithopone, used largely as pigments.

2 and 3. Sources of Supply and Output.

Before the War three-quarters of the annual zinc ore production of the world (measured by spelter content) were produced in three countries (the United States, Germany, and Australia), and four-fifths of the metallic zinc was also produced in three countries, viz., the United States, Germany, and Belgium.

The following table shows the position:—

	Zinc ore production.		Spelter production.	
	(Spelter contents.)		1912.	1913.
	Tons.		Tons.	Tons.
United States	289,000	310,000	315,000
Germany	237,000	267,000	279,000
Australia	197,000	2,300	3,500
French possessions	63,000	—	—
Belgium	insignificant	197,000	195,000
France	14,000	62,000	67,000
Spain	60,000	8,000	8,000
Italy	56,000	—	4,000
United Kingdom	6,000	56,000	58,000
Estimated world total	1,000,000	960,000	985,000

Austria-Hungary smelted 19,000 tons of metal, and produced ores containing 7,000 tons of metal in 1913.

The principal points deserving notice in connexion with the industry before the War are:—

- (a) That practically the whole of the Australian output of zinc concentrates went to Germany and Belgium for treatment.
- (b) That a very large proportion of the spelter produced in the United Kingdom was smelted from imported foreign ores. In addition the United Kingdom imported a large amount of spelter from Germany and Belgium.
- (c) That the output of spelter in Europe was controlled by the Spelter Convention under German domination.

4. Present Position.

Since the War the dominant features of the position have been:—

- (a) The development of the United States' plant for spelter production. The present production is at the rate of 540,000 tons per annum; and the pre-War consumption in the United States of America was 315,000 tons per annum.
- (b) The action taken by the Commonwealth Government to free the Australian industry from German control.
- (c) The arrangements by which His Majesty's Government have contracted to buy from the Commonwealth Government (1) the greater part of the existing stocks of concentrates and slimes in Australia; (2) the whole exportable surplus from 1st January, 1918, until twelve months after the War up to 250,000 tons per annum; (3) and for nine years thereafter the whole exportable surplus up to 300,000 tons per annum.
- (d) The development of the zinc-refining industry in Canada (British Columbia) and in Japan, which has now an output of about 40,000 tons per annum.

5. Requirements of the British Empire.

The post-War spelter requirements of the British Empire may be estimated at 200,000 tons.

6. The Problem.

Owing to the enormous increase of spelter production in the United States since the War there is a possibility that, after the War, there may be a period of satiety in the international market, in other words, over-production. But the future of the United States' industry is extremely problematical. Production will continue to decline sharply if the present downward movement of prices continues.

The problem before the British Empire appears likely to take the following forms:—

- (1) How to encourage the production of spelter within its own limits. The supplies of zinc ore and concentrates appear to be sufficient, assuming they can be refined within the Empire.
In view of the purchases by His Majesty's Government of Australian zinc concentrates, it will clearly be necessary to arrange for the erection of refining works in the United Kingdom or elsewhere, and it is understood that steps to that end are being taken, as well as to encourage local refining in Australia.
- (2) How to protect the spelter industry from foreign competition. It is understood that the view prevalent amongst a considerable section of the trade is that expenditure of money on the erection of refining plant is hazardous unless there is some protection against dumping.
- (3) Assuming there is an accumulation of zinc concentrates in Australia after the War on account of His Majesty's Government through lack of tonnage to export them, how can these concentrates best be utilized? It has been suggested that they might be temporarily treated in Belgium or Holland or Sweden or Norway, conditionally upon the metal being shipped to the United Kingdom. Of the four countries suggested Holland alone is likely to be equipped for the immediate handling of Australian concentrates after the War.
- (4) Whether it is desirable to take early steps to secure that adequate supplies of spelter (140,000 to 160,000 tons per annum) will be available from Canada (where special steps have been taken by the Government to encourage the development of the industry), the United States, and Japan for the use of Empire industries in the reconstruction period.

TIN AND ITS ORES.

1. Uses.

TIN is very largely used for the manufacture of tin-plate for industrial purposes. It is also used for bearing metal for railways, for solder making, metal mixing, tin oxide, white metal, etc.

2 and 3. Sources of Supply and Output.

Prior to the War ninety-nine per cent. of the world's tin ore was produced in nine countries.

The output of these countries was as follows (in terms of metallic tin contents):—

	1912	1913.	War period.	
	Tons.	Tons.	1915.	1916.
			Tons.	Tons.
<i>Empire—</i>				
Federated Malay States	48,000	50,000	47,000	44,000
			(exports)	(exports)
Australia	7,800	8,000	—	—
United Kingdom	5,300	5,000	5,000	4,700
Nigeria	4,000	4,000	4,800	—
South Africa	1,800	2,200	2,100	2,000
<i>Foreign—</i>				
Bolivia	23,000	26,000	25,000	—
Dutch East Indies	20,000	—	13,000*	—
China	9,000	8,000	—	—
Siam	7,000	—	—	—

In 1913 the world's production of smelted tin was 127,000 tons. The production of smelted tin in the Empire from Empire ores was about 81,500 tons, or sixty-five per cent. of the world's output, and from all ores about 93,000 tons, or seventy-three per cent. of the world's output.

The chief smelting centres in the British Empire are the Straits Settlements, the United Kingdom, and Australia. A considerable proportion of the tin ore smelted in the United Kingdom comes from Bolivia, and some of that smelted in the Straits Settlements from the Dutch East Indies and China.

4. Present Position.

The estimated consumption of metallic tin within the British Empire is under thirty-eight per cent. of its production, viz.:—

United Kingdom	...	...	...	...	30,000 tons.
Canada	...	...	...	...	2,400 "
New Zealand	...	...	...	...	250 "
Egypt	...	...	...	...	250 "
India	...	...	...	...	2,300 "
Total	...	...	...	...	35,200 "

The demand for metallic tin in the United States is, however, enormous, and is likely to absorb some 80,000 tons per annum. In view of post-War demands from other sources, and particularly those from Germany and Austria, there is likely to be a tin shortage after the War.

Smelting within the Empire appears to be adequately secured by the differential export duties on ore sent from the Federated Malay States and Nigeria for smelting elsewhere than within the Empire.

During the War there has been close control over Empire tin. This control centres in the United Kingdom in the Rubber and Tin Exports Committee, working in close consultation with the Ministry of Munitions, on the advice of which licences to export tin from the United Kingdom and the Crown Colonies are granted.

5. Requirements of the British Empire.

The maximum requirements of the British Empire after the War may be taken as 40,000 tons of metallic tin per annum.

6. The Problem.

The supplies of tin available within the Empire are more than sufficient to provide for its requirements after the War, if measures are taken to conserve them

* From Government mines only.

for this purpose, but they are not sufficient to meet the requirements both of the Empire and the Allies, owing mainly to the enormous demand for tin in the United States.

The main problems for the Empire appear to be:—

- (1) How to reserve sufficient supplies for the requirements of the Empire from
 - (a) the United Kingdom output (24,000-31,000 tons);
 - (b) the Straits output (60,000 tons);
 - (c) the Australian output (2,500 tons).
- (2) Whether it is desirable, with this object in view, and also that of providing as far as possible for the Allies' requirements, to make licences necessary for the export of tin ore and metallic tin from the various parts of the Empire. Such licensing would affect mainly the United Kingdom, Australia, South Africa, the Straits Settlements and Federated Malay States, and Nigeria.
- (3) Whether it is feasible to devise a system of allocating the available Empire supplies amongst the Allies. If so, on what terms?

TUNGSTEN ORES.

1. Uses.

TUNGSTEN is used for the filaments of electric lamps, and, as a component of ferro-tungsten, in the manufacture of high-speed steel.

2 and 3. Sources of Supply and Output.

The principal sources of tungsten ores are the United States, Federated Malay States, Burmah, Portugal, Japan, Australia, and New Zealand. The figures of production in 1913 and 1916 were (in long tons):—

	1913.	1916.
Burmah	1,704	4,057
Straits	—	1,036 (1917)
Queensland	532	787
New South Wales	206	144
New Zealand	266	295
United Kingdom	179	344
Total Empire	2,887	6,663
United States of America	1,374	6,681
Portugal	787	1,574
Japan	292	1,131

The world's output of tungsten ores, which was only 7,500 tons in 1913, rose to 18,500 tons in 1916, and is to-day about 20,500 tons. This great increase is largely due to the high prices created by war demands. It is anticipated that the production of ores will materially diminish after the War.

4. Present Position

The United Kingdom tungsten industry is at present handling all the ores produced within the Empire, and also foreign ores to the extent of 1,000 or 1,500 tons per annum. It has a capacity of 10,000 tons of ores. The United States' industry requires, during the War, about 8,000 tons of ores, the French industry 3,400 tons.

These requirements will almost certainly be reduced after the War. It is expected, for example, that the United Kingdom industry will not require, for its home and export trade, more than 3,500 tons of ores. Germany will be in the market for ores; but the United Kingdom was the best customer of the German tungsten maker before the War; and it is estimated that, of the 3,600 tons of imported ores which Germany annually consumed before the War, two-thirds were used for the purposes of the export trade to the United Kingdom. On this estimate the requirements of Germany after the War should not exceed 1,200 tons of ores. The Ministry of Munitions is committed to the purchase of all Empire ores until six months after the War. Therefore, up to that time, the effect of German competition will not be felt in the tungsten ore markets of the Empire.

5. Requirements of the British Empire.

The United Kingdom tungsten industry is expected to require from 3,000 to 3,500 tons of tungsten ores per annum. The requirements of the Dominions and India for tungsten and its alloys have not been ascertained.

6. The Problem.

The main question is how to maintain the tungsten industry of the United Kingdom on such a scale that it can supply Empire industries with their full requirements of tungsten and tungsten alloys. In connexion with this question the following questions arise as to the raw materials of the industry:—

- (1) Whether, in view of the military importance of the industry, it is not essential that the industry should be independent of ores of non-Empire origin?
- (2) Whether the estimated post-War requirements of the industry (from 3,000 to 3,500 tons of ores per annum) are adequately secured by long contracts with Empire producers, by the possession on the part of the manufacturers of controlling interests in Empire mines, or by any other kind of private arrangement?
- (3) If the answer to (2) be in the negative, is it desirable that His Majesty's Government should offer to prolong the existing system of purchase (which will expire six months after the end of the War)? Or, failing such an arrangement, is it advisable that the Governments of the tungsten-producing parts of the Empire should themselves take steps to give the tungsten manufacturers of the Empire a first option at current market prices?
- (4) Is it, in any case, desirable that exports of tungsten ore, and the destinations of export, should be registered by the Empire Governments concerned?
- (5) Should efforts be made to give those of our Allies who manufacture tungsten and its alloys a first call on any surplus of Empire tungsten ores which is available for export from the Empire?

MICA.

1. Uses.

Mica is used as a dielectric and insulating material in the electro-technical industries; as a lubricant; also as a substitute for glass where heat-resisting power is imperative.

2. Sources of Supply.

Actual.—British India, Canada, United States of America, Guatemala, Mexico, Brazil.

Potential.—Australia, New Zealand, South Africa, Central Africa, Ceylon

3. Output.

The pre-War average exports from the chief producing countries were:—

India, 49,000 cwts. (chiefly muscovite, or white mica).
Canada, 7,000 cwts. (chiefly phlogopite, or amber mica).
United States of America, 2,920 cwts.

4. Present Position.

There is a shortage, although Germany, formerly the second in importance of the consuming nations, is out of the market. Consumption has increased enormously in the United States of America, and France is taking about 14,000 cwts per annum, whereas, before the War, she was not a large consumer. Before the War the main available supplies were distributed as follows:—

Net Imports, 1913.

United States of America ...	29,000 cwts.
Germany ...	23,600 cwts.
United Kingdom ...	19,700 cwts.

Practically the whole of the United States imports, and over ninety per cent. of the German imports, were derived from the British Empire. Nevertheless, Hamburg was beginning to supplant London as the chief market for this material. During the War the market has returned to London.

5. Requirements of the British Empire.

The United Kingdom will require not less than the net imports of 1913, 19,700 cwts. The requirements of the rest of the Empire have not yet been ascertained.

6. The Problem.

The future of mica depends mainly on that of the electro-technical and allied industries. It is thought that the demand, which was growing before the War, will continue to grow after the War, and that the owners of mica deposits will be inclined to hold up supplies in the expectation of a rise. In view of the demand which is to be expected from German manufacturers immediately after the War, a temporary shortage is extremely probable. It is very desirable that the interests of the electro-technical industries within the Empire should be protected. From this point of view the problems to be considered are:—

- (1) Whether India can do anything to conserve an adequate proportion of her output for the use of Empire industries.
- (2) Whether the present policy of the Ministry of Munitions in financing new producers in India can advantageously be extended.
- (3) What steps, if any, can be taken to increase the present sources of supply within the Empire and to develop commercially new sources in other parts of the Empire, particularly in Australia and New Zealand, where deposits of exceptional quality are said to exist.

MOLYBDENITE.

1. Uses.

MOLYBDENITE is required for the manufacture of ferro-molybdenum, an alloy used in the manufacture of armour plate, of gun and rifle barrels, and (to a limited extent) of high-speed steel. Molybdic acid, and other salts of molybdenum, which are all prepared from molybdenite, are used in various chemical and industrial processes.

2 and 3. Sources of Supply and Output.

Molybdenite has been extracted in Australia (New South Wales and Queensland) on a commercial scale since 1902-3. The Australian output has diminished during the War. In 1916 it was only 113 tons of concentrates, as against 148 tons in 1913. In Canada (Quebec, Ontario, British Columbia) the mining of molybdenite on any considerable scale dates from 1915. The Canadian exports in 1916 amounted to 71 tons of concentrates. In Natal there are promising deposits which have not yet been exploited. Molybdenite occurs in New Zealand, but our information does not show whether these occurrences are of commercial value. Occurrences are also reported in Newfoundland, Hong Kong, and the Straits Settlements.

Outside the Empire the only country which has hitherto produced molybdenite on a considerable scale is *Norway*. The Norwegian output in 1913 was 12 tons; in 1916 it had risen to 100 tons. The *United States* at one time produced considerable quantities of molybdenum ores (795 short tons of wulfenite and molybdenite concentrates in 1903), but from that date till 1915 production was spasmodic. Since 1916 important deposits have been exploited in Colorado, but the amount of the annual output is not yet reported.

4 and 5. Present Position and Requirements of the British Empire.

Germany's imports of molybdenite were not separately recorded before the War. The use of molybdenite by German steel works has developed during the War owing to the scarcity of tungsten in Germany. The United States imported no molybdenite in 1915, and a negligible quantity in 1916; the amount of home production is uncertain. The United Kingdom at present is estimated to require from 60 to 70 tons of concentrates; the pre-War consumption is not recorded.

6. The Problem.

The annual output appears to be equal to present requirements, and the main problem appears to be how best to dispose of the Australian supplies.

If the demand for molybdenum under peace conditions remains constant (which is doubtful) it will become advisable to investigate closely all the recorded occurrences within the Empire, as the present sources of supply appear to be precarious.

COAL, WITH SPECIAL REFERENCE TO STEAM COAL.

1. Uses.

COAL is used as a fuel and source of power (steam and electric); it is the raw material from which coal gas, coal tar, and many valuable by-products are derived. British steam coal is particularly valuable as a fuel for marine and railway locomotive engines.

2 and 3. Sources of Supply and Output.

The following table shows, in millions of tons, the output of coal in the principal countries of the world in 1912:—

Country.	Millions of tons.	Country.	Millions of tons.
United Kingdom ...	118	Russia ...	26 (1911)
India ...	3.3	Germany ...	172
Canada ...	7.4	Belgium ...	22.6
Australia ...	4.4	France ...	39.7
New Zealand ...	2	Spain ...	3.6
South Africa ...	7.2	Austria ...	15.5
		Hungary ...	1.2 (1911)
		Japan ...	17.3 (1911)
		United States of America ...	447.2

As regards the coal fields of the British Empire, it may be noted that Canada imports more than she produces, that New Zealand and India are practically self-sufficient, and that Australia and South Africa are exporting countries.

Before the War the United Kingdom was the largest exporter of coal in the world, Germany coming second, and the United States third. In 1912 the gross exports of these countries were:—

Country	Tons.
<i>United Kingdom:</i>	
Ordinary exports ...	67,000,000 (of which 35,000,000 were steam coal).
Bunkers supplied at British ports ...	18,250,000 (all steam coal).
<i>Germany:</i>	
Ordinary exports and bunkers for German ships ...	31,000,000
Bunkers to foreign vessels at German ports, about ...	300,000
<i>United States:</i>	
Ordinary exports ...	18,000,000
Bunkers supplied at United States ports ...	7,250,000

It should be noted that in 1912 Germany imported 10,000,000 tons, mainly from the United Kingdom.

Of the countries which were not self-sufficient in respect of coal, the following were the chief importers before the War:—

Country.	Millions of tons.	Country.	Millions of tons.
France ...	19	Sweden ...	5
Austria-Hungary ...	12	Denmark ...	3
Canada ...	12	Spain ...	2.5
Italy ...	10	Norway ...	2
Holland ...	7	Switzerland ...	2
Russia ...	6		

4. Present Position.

During the War Germany has kept alive her export trade in coal to Austria-Hungary, Denmark, Sweden, Holland, and Switzerland. But the quantity of her exports is believed to have diminished by more than fifty per cent. Exports of coal from the United States increased gradually from 1912 up to the end of 1916; in 1916 they amounted to 23,000,000 tons. Exports of coal and coke from the United Kingdom in 1916 fell to 40,000,000 tons, as compared with 75,000,000 tons in 1913. But, owing to the increased prices due to the War, the value of the exports in 1916 was nearly equal to that of the 1913 exports. The reduction in the United Kingdom exports of large steam coal has been progressive during the War. Exports of this grade amounted to 37,000,000 tons in 1913, but fell as low as 17,000,000 tons in 1916.

5. Requirements of the British Empire.

As already shown, the United Kingdom, most of the Dominions, and India are either self-sufficient as regards coal supplies or do a large export trade. Canada is an exception, as she imports largely, though she has a small export trade as well. Her net requirements at present may be estimated at 12,000,000 tons per annum.

6. The Problem.

As regards the United Kingdom export trade the following problems will arise in the period of reconstruction after the War:—

- (1) How to restore the output to the pre-War level as quickly as possible? A Board of Trade Committee, reporting in 1917, estimated that if the War came to an end in August of that year twelve months would probably be required to make good the arrears of repairs and development in the coal pits; while if the War continued into 1918 the period of recovery would be considerably longer. To shorten the period of recovery is a matter of vital consequence to the export trade of the United Kingdom.
- (2) Until the coal fields of the United Kingdom are in a position to produce on the pre-War scale it may be necessary to consider the question of controlling coal exports, and particularly exports of steam coal, in order to ensure adequate supplies for other parts of the British Empire (in particular, for British coaling stations abroad), and for certain of our Allies. Exports of coal in 1913 from the United Kingdom to Belgium, France, Portugal, Italy, and the Colonial possessions of these Powers amounted to 27½ million tons; exports to Empire destinations (including Egypt) in the same year were 5½ million tons. If it is expected that our Allies should be supplied after the War on the same scale as in 1913 the quantities of coal which will be available for export from the United Kingdom to neutral countries in the reconstruction period will be very small, probably not much more than 5,000,000 tons, which is about the quantity that the United Kingdom supplied in 1913 to Brazil and the Argentine. Under these circumstances it may be necessary to consider the question of rationing exports to the Allies and the more important neutral markets.
- (3) Some time will probably elapse before the stocks of coal at the main British coaling stations overseas will be restored to their normal level. In 1913 the United Kingdom exported the following quantities of steam coal to the principal stations:—

Egyptian ports ...	1,000,000 tons (estimated)
Malta ...	562,000 ..
Gibraltar ...	279,000 ..
Aden ...	181,000 ..
Ceylon ...	238,000 ..
India ...	172,000 ..

The question may well arise whether, until exports can be resumed to these stations on the old scale, their bunker facilities ought not to be reserved for vessels engaged in trades useful to the Empire and the Allies.

As regards the Dominions the questions which arise appear to be:—

- (4) Whether their coal resources have yet been adequately explored, and whether further developments would be desirable in the near future. This problem is receiving the careful consideration of the Government.
- (5) Whether those Dominions which possess important coaling stations may find it necessary to reserve their supplies of bunker coal for vessels engaged in trade on account of the Empire or the Allies.

ALUMINIUM ORES.

1. Uses.

ALUMINIUM is a light metal of considerable strength, and is used largely for army equipment (machine-guns, shell fuses, and shell steel), as well as for submarines and aircraft. It has also many industrial uses, e.g., in the gold and silver mining industries, milking machinery, cooking utensils, and many other articles in daily domestic use. It is also necessary for the production of certain alloys of great commercial importance.

2 and 3. Sources of Supply and Output.

There are four aluminium ores: bauxite, cryolite, corundum, and china clay. Roughly speaking, however, the only ore used is bauxite. The quantity of bauxite necessary to produce one ton of aluminium is about four tons.

Before the War practically the whole supply of bauxite was mined in France and in the United States, Ireland, Italy, and India making very small contributions to the total output.

The following is a table of the world's production of bauxite.

World's Production, 1912-1916, in long tons.

—	1912.	Percentage Total.	1913.	Percentage Total.	1914.	1915.	1916.
United States of America ...	159,865	37.3	210,241	39.5	219,318	297,041	425,359
France ...	254,760	59.5	304,314	57.3	*	*	*
United Kingdom ...	5,790	1.4	8,282	1.3	8,286	11,723	10,329
Italy ...	6,596	1.6	6,841	1.5	3,844	5,807	*
India ...	950	0.2	1,184	0.2	514	876	*
Total ...	427,961	—	530,862	—	—	—	—

* Statistics not available.

Since the War new sources of supply have been developed. The German-Swiss factories obtain adequate supplies (though of an inferior grade of ore) from Silesia, Hungary, and Dalmatia. Large concessions have been taken up in British Guiana and India. But France and the United States still remain the chief sources of bauxite. Practically all the output of the United States is consumed locally, except a small export to Canada for refining. France does a large export trade. All the United Kingdom output is consumed locally, and there is considerable importation as well.

4. Present Position.

The aluminium industry of the world is concentrated in the hands of a small number of companies, the chief being:—

(a) *The American-Canadian group*, with an annual output of 75,000 tons of aluminium.

This is controlled by the Aluminium Company of America, which works in Canada through a subsidiary company, the Northern Aluminium Company of Canada, with works at the Shawinigan Falls (P.Q.).

The latter company has taken up bauxite concessions in British Guiana, and is bound by its contract to erect, within seven years, on British territory, works capable of extracting 4,000 tons of aluminium per annum from these ores.

The output of this group is considered capable of great expansion.

(b) *The French group*, having works in France with a capacity of 20,000 tons, and in Norway with a capacity of 10,000 tons, per annum.

(c) *The German group*, having works in Switzerland and Austria, with an estimated capacity of 20,000 tons per annum.

(d) *The British group*, consisting of the British Aluminium Company and the Aluminium Corporation, having works in the United Kingdom which produced 7,000 tons of aluminium in 1916 and 10,000 tons in 1917. The former company also controls two Norwegian factories, with an output of 4,600 tons per annum.

5. Requirements of the British Empire.

The present requirements of the United Kingdom are now estimated at 72,000 tons of imported bauxite per annum: before the War they were 40,000 tons per annum. The United Kingdom is at present much the largest consumer of aluminium within the Empire.

6. The Problem.

The output of aluminium metal in the United Kingdom and Canada is much more than sufficient to cover all Empire requirements. Though the United Kingdom at present imports about 11,000 tons of aluminium per annum from Canada,

in normal times the production of the United Kingdom refiners (10,000 tons), and of the works which they control in Norway (4,600 tons), is considerably more than the pre-War consumption of the British Empire (12,000 tons*), and affords opportunities for a profitable export trade.

The position as to ores is not so satisfactory, and the following problems arise:—

- (1) The aluminium works of the United Kingdom depend almost entirely on French ores,† and the French Government is expected to impose an export duty after the War. It is for consideration whether, in negotiating with France about raw materials, some assurances should be obtained from France on this subject.
- (2) Whether it is possible to encourage the exploitation of bauxite in British Guiana, the Gold Coast Colony, and India. It is understood that, in order to compete with French bauxite, the ore must contain not less than fifty-eight per cent. alumina or more than three per cent. silica.
- (3) Whether it is desirable that the Northern Aluminium Company of Canada should be encouraged to make a larger use of bauxite of Imperial origin than at present. The Company is already under contract to produce 4,000 tons of aluminium per annum from British Guiana ores; but at least four-fifths of the Company's present output is derived from United States ores.

CONCLUSION.

In the foregoing account we have tried to set out the main facts of the situation relating to each raw material and the problems arising in each case.

It remains for us to sum up the position.

- (1) It is clear from the particulars given that it will be difficult for the Governments of the Empire to settle their post-War policy with regard to the various materials dealt with in Resolution III. (to which, as already indicated, we suggest that aluminium should be added) until they have some idea of the post-War requirements of the Allies. Only an inter-Allied Conference can provide the necessary estimates of such requirements. We understand that such a Conference will be held shortly.
- (2) The figures set out in this report as to the probable post-War requirements of the British Empire are, in our opinion, sufficiently accurate to serve as a basis for the British delegates, and we recommend that the latter should be empowered to use them at such a Conference.
- (3) Any decision as to the action to be taken must necessarily be left over until the Governments of the Empire have had the opportunity of considering this report in the light of their local conditions. But it seems desirable that these Governments should immediately begin consultation with the producers of, and traders in, the raw materials specified, as contemplated in Resolution IV. of the Conference.
- (4) It is clearly desirable that the Governments of the Dominions and India should inform His Majesty's Government of their views on the problems raised in this report, and in turn should be informed of the views of His Majesty's Government, at the earliest possible date. Matters will then be ripe for the determination of a general Imperial policy, and for any subsequent arrangements with the Allies which may be necessary in their interests and in the interests of the Empire.
- (5) It can be stated with some confidence that, assuming that the Governments of the Empire can obtain the necessary command over the raw materials with which we have dealt, so far as they are produced within the Empire, the Empire is in a strong position as regards the following:

Asbestos.
Cotton (fine)
Jute.
Wool.

* The United Kingdom consumed on an average 6,000 tons per annum. Canada, India, and other parts of the Empire consumed 6,000 tons.

† Irish bauxite is said to be of too low a grade to be utilized under competitive conditions.

Hides and skins.
Rubber.
Oleaginous products.
Manganese.
Nickel.
Zinc ores.
Tin.
Tungsten.
Mica.
Molybdenum.
Steam coal.

The Empire is not in a strong position as regards—

Copper.
Cotton (medium grades).
Petroleum
Spelter.
Aluminium ores.

As all these commodities are of first-class importance, and the first three are produced most largely in the United States of America, it will clearly be essential to obtain the co-operation of the latter in framing any definite policy.

Signed, on behalf of the Committee.

W. A. S. HEWINS

23rd July, 1918.

APPENDIX.

MEMORANDUM BY THE PRESIDENT OF THE BOARD OF TRADE.

I.

In order to secure, so far as practicable, a systematic policy and common action for the purpose of giving effect to the resolution of the Conference on the conservation of essential raw materials produced within the Empire, there should be established:—

- (a) A Central Raw Materials Board, meeting in the United Kingdom, charged with the duty of examining the position of each commodity of which it may be thought expedient to take command, with making recommendations as to the action which can most suitably be taken in each case, and with negotiating practical arrangements for the purpose to be submitted for ratification to the Governments concerned.
- (b) One or more Boards in each Dominion to co-operate with the Central Board and to advise their Governments.

II.

Action to secure control of adequate supplies for the purposes of the British Empire and the Allies might take any one of the following forms (though further examination by the Boards established under Section I. above might reveal other methods):—

- (1) Purchase of the whole exportable surplus of a given commodity by the United Kingdom Government alone, or in partnership with the Governments of the producing Dominions, or by a purchasing authority set up on their behalf.

To secure this it would be necessary for any Dominion Government concerned to have power to (1) requisition or (2) to prohibit export except under licence.

If it appeared impracticable for any particular Dominion Government to take such powers generally it might seek power to take such action only in cases where (a) the Government of the United Kingdom, either alone or in partnership with one or more of the other Governments of the Empire, had offered to purchase the whole exportable surplus of a material produced within the Dominion, and (b) the Government of the Dominion had agreed to the transaction and approved the proposed terms as reasonable.

An alternative course that might be suggested to the prohibition of export might be that, where the United Kingdom Government and the Dominion Government concerned were in agreement as to the terms of purchase, and the producers of the larger part of the output of the commodity in question were prepared to accept these terms, the Government of the Dominion should fix maximum prices (being the agreed price). The object of this would be to prevent those producers who had not accepted the proposed terms from selling abroad at higher prices, since the possibility of their doing so would naturally discourage the others from adhering to the agreement; but, on the other hand, it would be clearly understood that all producers, whether they had originally agreed or not, would be entitled to have their production purchased at the agreed price. (It appears doubtful, however, whether such a prohibition of sale abroad above the maximum price could be really made effective without some further measure of control of export.)

- (2) Simple contracts for the purchase of quantities less than the total exportable surplus, such contracts being entered into by (a) the United Kingdom Government, either alone or in partnership with a Dominion Government or Governments; or (b) some purchasing organization acting with Government sanction and under some form of Government control.

Such contracts, if they could be made on reasonable terms, would, *pro tanto*, secure the command of materials up to the amounts covered by the contracts without necessarily involving control of export or requisition. But the difficulty of making satisfactory contracts of this kind without the power of control in the background is obviously very formidable; and in any case command is secured of only a portion of the materials.

- (3) Prohibition of export except under licence, combined with a rationing scheme, without any scheme of purchase. This course may be found applicable to certain commodities, but as a general rule it is not likely to command assent.

A. H. STANLEY.

5th July, 1918.

D.

Correspondence with Allied Governments.

(i)

Le Gouvernement Français vient d'inviter M. Paul Cambon à proposer au Gouvernement Britannique la réunion d'une Conférence Interalliée qui étudierait, en vue de la période de transition et de reconstitution économique qui suivra la guerre, l'établissement d'un programme de coopération relatif à la répartition des matières premières essentielles à l'Alimentation et à l'Industrie.

Cette réunion se proposerait de coordonner les travaux déjà entrepris à ce sujet dans les divers pays alliés et d'assurer ultérieurement entre ces nations la persistance de l'esprit de collaboration et d'entraide économique qui prévaut dans leurs rapports actuels.

Le Gouvernement Français estime que cette Conférence devrait se réunir aussitôt que possible. Il serait heureux de la voir siéger à Paris.

Le Haut Commissaire Français aux Etats-Unis a été chargé d'obtenir l'adhésion du Gouvernement Américain à cette proposition. M. Pichon espère que le Gouvernement Britannique approuvera, pour sa part, la manière de voir du Gouvernement Français et consentira à appuyer la démarche de M. Tardieu à Washington.

M. Paul Cambon saisit. &c.,

Ambassade de France à Londres,
Albert Gate House,
17 Avril, 1918.

(ii)

YOUR EXCELLENCY,

Foreign Office, S.W.1, 16th May, 1918.

I HAVE the honour to refer to Your Excellency's note of the 17th ultimo informing me of the proposal of the French Government for an inter-Allied conference to examine the possibility of drawing up a scheme of co-operation in regard to the distribution of raw materials during the period of transition and economic reconstruction immediately following the cessation of hostilities.

2. I have the honour to inform Your Excellency that this question has for some time been engaging the attention of His Majesty's Government, who are now on the point of inviting all the Allied Governments to give an estimate of their probable requirements during the transition period, in the matter of certain raw materials produced in the British Empire, and subsequently to attend an Allied conference, to be held after the Imperial Conference has met in June, for a discussion of the whole question of the control and distribution of raw materials derived from Allied sources.

3. Your Excellency will therefore see that His Majesty's Government share the desire of the French Government to undertake without delay a study of this question with a view to arriving at an agreement amongst the Allied Governments before the end of the War, but I trust that the French Government will agree that it would be premature to summon a conference at the present moment, and that more definite results are likely to be obtained if the conference is postponed for two or three months in order to give each Allied Government an opportunity of considering the question and forming an estimate of their several requirements.

4. I am informing His Majesty's High Commissioner in Washington of Your Excellency's proposal, and the opinion of His Majesty's Government as outlined above, in order that he may be able to lend such support as may be possible to Monsieur Tardieu.

I have, &c.,

for the Secretary of State.

His Excellency
Monsieur Cambon,
&c., &c., &c.

(iii)

(Circular.)
(Commercial.)

(No. Commercial.)

SIR,

Foreign Office, 23rd May, 1918.

1. His Majesty's Government are impressed with the urgency of making adequate and timely provision to supply British and Allied industries with the more essential raw materials in the period of reconstruction. It appears certain that there will be, immediately after the peace, an abnormal demand for raw materials on the part of all the industrial countries of the world. In regard to many of the chief raw materials the British Empire and its Allies are in a naturally strong position; but, unless such war measures as prohibitions of export are maintained for a certain period after the end of the War, it may well happen that raw materials, which His Majesty's Government and the Allied Governments have it in their power to control, will be drained away to enemy countries before British and Allied requirements have been covered. His Majesty's Government have already drafted an Imports and Exports Bill, which has, as one of its objects, the conservation of stocks of raw materials in the United Kingdom for a period after the War. They propose shortly to consult with the other Governments of the British Empire as to the possibility of taking similar measures, and in some cases even more stringent measures, to control the chief raw materials produced within the several jurisdictions of these Governments. They would be glad to learn as soon as possible whether any similar measures have been taken or are in contemplation by the Government.

2. While the maintenance of the established industries of the British Empire is one of the principal objects to be secured by such a policy, His Majesty's Government earnestly desire and intend that any control over the raw materials of the British Empire which may be established by agreement with the Self-governing Dominions shall be administered in a manner advantageous to the Allies, and particularly to those Allies whose territories have experienced the full effects of the War, and who are faced with the problem of restoring industries ruined by the War. In according special facilities of a commercial nature to the Allies, His Majesty's Government will give full recognition to the principle that the more fortunately situated members of the Alliance should do their utmost to aid in repairing the sufferings and losses which the less fortunate have incurred in the common cause, and that the form and degree of the assistance rendered should correspond in each case to the special requirements of that case. It is on the ground of the sufferings and losses experienced by the Allies that His Majesty's Government propose to justify their general policy of giving Allies, as compared with neutrals, some special facilities in commercial matters, and it appears reasonable that certain of the Allies should receive more extensive facilities than the rest, according to the relative urgency of each case.

3. The precise extent of the special facilities which His Majesty's Government desire to give, in respect of raw materials, cannot be stated until it is known how far the other Governments of the British Empire are willing to co-operate with His Majesty's Government in the policy of control. But His Majesty's Government have prepared a list, for submission to the other Governments of the Empire, enumerating certain raw materials which it seems expedient to control in the interests of the British Empire and the Allies. A copy of this list is subjoined, and His Majesty's Government would welcome any observations from the Government of the following points in connexion with the list:—

- (a) In which of these raw materials the established manufacturing interests of the are particularly interested, and what amount of each article they would desire to obtain from the British Empire in the first twelve months after the War.
- (b) What additional raw materials, if any, might, in the opinion of the Government, be considered by

His Majesty's Government for inclusion in the list.

4. His Majesty's Government desire to emphasize the fact that they do not themselves control the raw materials which belong to the Self-governing Dominions of the British Empire, the Governments of which have problems of their own to

consider in relation to the control of their more important products. But His Majesty's Government have every reason to believe that the goodwill which the Dominions have shown towards our Allies in the course of the War will continue to influence the policy of the Dominion Governments after the restoration of peace.

5. While His Majesty's Government would deprecate the idea of reducing the mutual economic assistance of the Allies to the form of precise treaties or bargains, they feel that the contemplated discussions between His Majesty's Government and the other Governments of the Empire can hardly pass beyond generalities unless His Majesty's Government are in a position to state the approximate needs of the Allies, and the nature of the reciprocal assistance, in the shape of raw materials, which the Allies can offer to the British Empire. It would materially assist these discussions if the Government could supply particulars

in regard to (a) the raw materials which it requires from the British Empire, and (b) those with which it could supply the British Empire, under the headings which are specified in the enclosure to this despatch. A similar questionnaire is being distributed by His Majesty's Government to the other Governments of the Empire.

6. I request that you will address a communication confidentially to the Minister for Foreign Affairs accordingly, and will request him to return a reply at his earliest convenience. The statistical details asked for in the preceding paragraph are required for the Imperial War Conference which takes place at the beginning of June.

In the event of replies being received from the Allied Governments favourable to the proposed policy of co-operation. His Majesty's Government contemplate inviting their participation in a conference for the purpose of concerting measures in detail, and I should be glad if you will sound the Government as to their readiness to accept such an invitation if they agree to our proposals in principle.

A similar despatch is being addressed to His Majesty's _____ at _____
I am, &c.,
(For the Secretary of State).
VICTOR WELLESLEY.

His Majesty's Representative
at _____

SCHEDULE.

Raw Materials, of which the Control is to be considered by His Majesty's Governments and the other Governments of the Empire.

Asbestos.
Cotton.
Copper.
Hides and skins.
Jute.
Lead and its ores.
Manganese ores.
Mica.
Nickel.
Oleaginous produce.
Rubber.
Spelter and zinc concentrates.
Steam coal.
Tin and its ores.
Tungsten ores.
Wool.

RAW MATERIALS.

Headings for Arrangement of Information.

Article.

- (1) Quantity of domestic production—
 - (a) Before the War.
 - (b) After the War (estimated).
- (2) Quality of present domestic production, and estimated quality of further production, according to world standard.
- (3) Domestic requirements—
 - (a) Before the War.
 - (b) After the War.
- (4) Sources of imports before the War.
- (5) Exports and re-exports before the War.
- (6) Estimate of quantities required from the British Empire after the War.
- (7) Estimate of quantities with which it would be possible to supply the British Empire.

(iv)

DESPATCH FROM HIS MAJESTY'S AMBASSADOR AT PARIS, WITH PRELIMINARY REPLY OF FRENCH GOVERNMENT TO FOREIGN OFFICE DESPATCH OF 23RD MAY.

(No. 789, Commercial.)

SIR,

Paris, 8th June, 1918.

I HAVE the honour to transmit to you, herewith, copy of the reply of the Minister for Foreign Affairs to the note which I addressed to him, in accordance with the instructions contained in your despatch, No. 1174 Commercial, of the 23rd ultimo (52449/C/150), inquiring whether the French Government would be prepared to supply His Majesty's Government with information respecting French requirements of certain raw materials for examination by His Majesty's Government, in consultation with the other Governments of the British Empire, during the forthcoming Imperial War Conference.

Monsieur Pichon expresses the appreciation of the French Government of the step taken by His Majesty's Government, and promises to supply the information desired for use at this Conference. He desires, however, that the warning should be conveyed that the figures and statistics supplied will obviously be only of an approximate character. The Commercial Adviser has been informed by the competent official at the Ministry for Foreign Affairs that it is hoped to begin furnishing these data in about fifteen days.

With regard to the inquiry made by Monsieur Pichon respecting the United States Government, His Excellency would appear not to have observed that it is clear from my note, based on your despatch under reply, that a similar inquiry is being addressed to, and a similar co-operation is being requested from, the other Allied Governments, under which term the United States Government must presumably be held to be included.

Finally, the French Government accept the proposal of His Majesty's Government to attend an inter-Allied Conference, for the purpose of concerting measures in detail, should the replies received from the other Allied Governments be favourable to the proposed policy of co-operation.

I have, &c.,

The Right Honourable
A. J. Balfour, O.M., M.P.,
&c., &c., &c.

Enclosure.

Ministère des Affaires Etrangères,
Direction des Affaires Politiques et Commerciales,
Paris, le 8 Juin, 1918.

Politique interalliée des
matières premières après
la guerre.

MONSIEUR L'AMBASSADEUR,

J'ai l'honneur de faire connaître à Votre Excellence, en réponse à sa lettre du 28 Mai dernier, que le Gouvernement de la République apprécie hautement la proposition formulée par le Gouvernement Britannique, de soumettre à la Conférence de l'Empire l'importante question du contrôle des matières premières, et de lui fournir, pour la discussion, une évaluation, aussi approchée que possible, des besoins et des ressources des divers Alliés.

Le Gouvernement de la République est particulièrement sensible aux considérations d'équité dont le Gouvernement Anglais a accompagné sa proposition.

Ayant subi, du fait de l'invasion, des pertes et des préjudices auxquels viennent s'ajouter les sacrifices qu'il a dû consentir à l'action militaire, le Gouvernement Français est heureux de constater que les pertes subies et les sacrifices consentis entreront en ligne de compte pour la répartition que l'Angleterre et l'Empire Britannique comptent faire de leurs ressources.

Se conformant au schéma proposé pour la notation des éléments statistiques à fournir, le Gouvernement français compte ajouter, pour chacune des rubriques prévues, les réserves de principe ou d'espèce qui sont destinées à marquer le caractère approximatif de ces évaluations.

En effet, les chiffres qu'il pourra fournir sont susceptibles de variations et de corrections importantes.

Ils peuvent varier suivant les résultats territoriaux de cette guerre, et l'influence de ceux-ci sur la production nationale et sur l'état de l'outillage; ils peuvent varier suivant les disponibilités en force motrice, qui dépendront, après la guerre, de la production du charbon et de la faculté d'organiser la houille blanche; ils devront être adaptés à nos possibilités de transports, qui dépendront non seulement des constructions navales françaises, mais des accords à intervenir avec les Alliés; ils devront être amendés également suivant les disponibilités financières dont dépendra, en une certaine mesure, l'établissement définitif du programme national.

Pour favoriser la discussion que le Gouvernement Britannique compte instituer, lors de la prochaine Conférence de l'Empire, le Gouvernement Français tiendra à coeur de fournir au Gouvernement Britannique les éléments qu'il demande, mais il le prie, dès à présent, d'en souligner, en les transmettant à la Conférence, le caractère provisoire et incertain.

Le Gouvernement de la République serait heureux, par ailleurs, d'apprendre si, à l'occasion de la Conférence de l'Empire, le Gouvernement de Sa Majesté a renouvelé auprès du Président Wilson ses instances pour la préparation du contrôle des matières premières, et si le Gouvernement américain y a répondu en fournissant, au même titre que les autres Alliés, l'évaluation de ses ressources comme de ses besoins.

Il est en effet évident que le but que nous nous proposons ne saurait être pleinement atteint que si tous les Alliés, ou tout au moins les principaux d'entre eux du point de vue qui nous occupe, participent effectivement au plan général qu'il s'agit d'arrêter. C'est pourquoi il me plaît de constater que l'intention exprimée par le Gouvernement britannique de provoquer la réunion, après la Conférence de Londres, d'une Conférence interalliée chargée de l'élaboration d'un programme commun, rencontre heureusement la proposition qu'au nom du Gouvernement de la République, je chargeai, dès le 15 Avril dernier, l'Ambassadeur de France à Londres de lui présenter.

Veuillez agréer, etc.,
S. PICHON.

Son Excellence le Comte de Derby,
Ambassadeur de Sa Majesté Britannique,
à Paris.

(v)

NOTE FROM THE FRENCH AMBASSADOR, GIVING TEXT OF A TELEGRAM FROM THE FRENCH MINISTER FOR FOREIGN AFFAIRS TO THE FRENCH HIGH COMMISSIONER IN THE UNITED STATES OF AMERICA.

Le Ministre des Affaires Etrangères a fait parvenir à M. Tardieu, Haut Commissaire de la République Française aux Etats-Unis le télégramme suivant:—

Le Gouvernement de la République a été saisi par le Gouvernement Britannique d'une demande tendant à obtenir le programme concernant les besoins en matières premières de la France, pour la période de restauration économique qui suivra la guerre, afin que la Conférence Impériale qui se tient en ce moment à Londres puisse en être saisie. Les autres Gouvernements alliés ont dû recevoir une pareille demande.

En effet, il y aura lieu pour la Conférence Impériale de Londres de se prononcer sur le principe d'une entente de la Grande Bretagne avec ses Dominions en vue de l'établissement d'un contrôle sur les matières premières produites par les différentes parties de l'Empire. L'objet primordial d'un tel contrôle serait d'ajuster les ressources de ces produits aux besoins des pays alliés après la guerre, à charge de réciprocité bien entendu. Le Gouvernement Britannique a l'intention de reconnaître dans cette répartition un droit de priorité à ceux de ces pays qui auront le plus souffert de la guerre.

C'est avec empressement que le Gouvernement Français a accueilli cette proposition, qui correspond chez lui à des idées déjà anciennes. Il se prépare donc à fournir au Gouvernement Britannique les indications demandées, avec les réserves indispensables que comportent toutefois en ce moment les incertitudes inhérentes à des estimations de ce genre dans le cas particulier de la France.

En outre, Lord Derby m'a fait connaître l'intention de son Gouvernement, si les Gouvernements alliés s'y montrent favorables, d'inviter ces derniers à une Conférence qui suivrait la Conférence Impériale et où les mesures requises, suivant application d'un plan d'ensemble, seraient discutées et indiquées.

J'ai pris acte de ce projet en faisant remarquer qu'il s'accorde très heureusement avec la proposition dont, dès le 15 Avril dernier, j'avais chargé M. Paul Cambon, au nom du Gouvernement de la République, de saisir le Cabinet de Londres, en même temps que je vous priais de la présenter au Gouvernement Américain.

Il apparaît clairement que le but que l'on poursuit dans cette politique de contrôle ne saurait être pleinement atteint que si tous les Alliés participent effectivement à l'organisation qu'il s'agit de créer. Les événements se précipitent et ils rendent de plus en plus nécessaire et urgente cette entente générale dans un domaine où les Alliés sont les maîtres. L'association complète que les pays neutres, d'une part, et les ennemis, de l'autre, s'apprêtent à fonder entre eux, nous obligerait, si même nous n'y étions déjà poussés par les soucis de nos besoins et de notre entraide après la guerre, à préparer sans plus tarder une organisation qui apparaîtra, une fois appliquée, sous sa forme solide et pratique, comme un des signes les plus certains de la force réelle de notre alliance. Elle agira contre la résistance prolongée et contre les projets inacceptables de nos ennemis comme une arme particulièrement efficace et souveraine.

Ambassade de France, à Londres,
13 Juin, 1918.

E.

(Confidential.)

Political Intelligence Department,
Foreign Office, 14th June, 1918.

Memorandum on Recent German Pronouncements on Economic Policy.

EVER since the first year of the War economic questions have been in the forefront of German war aims. We now know, for certain, from the Muhlton revelations that the group of men who provoked the War in 1914 consisted not only of soldiers but of industrial magnates, such as Herr Krupp von Bohlen. On the other hand, it may be taken as equally certain that the larger section of the German business community which depended for its livelihood on overseas trade was opposed to the war policy of the military chiefs, and hoped to the last that a conflict with Britain, at any rate, might be avoided. They realized that Germany was more

dependent than any other country in the world on foreign raw materials and markets for her prosperity, and that, in a war against the dominant sea-Power, that prosperity would be a hostage in the hands of her enemy.

One of the greatest and most successful of German business magnates, Dr. Walter Rathenau, Chairman of the Allgemeine Elektrizitätsgesellschaft, has described in a recent book* the misgivings that were stirred in his mind by the cheering crowds in the streets of Berlin in July, 1914. On the whole, however, the German business community accepted the War in the same spirit of military enthusiasm as the rest of the country. They expected a short war, which would leave their overseas connexions unimpaired, and, as we now know, the representatives of the Associated Chambers of Commerce, who attended a conference at the Ministry of the Interior at Berlin in May, 1914, to concert economic measures in the event of war, came back with the report that plans were being laid for a war of a year's duration at the outside.†

After the battle of the Marne it began to be generally recognized that the War would be a long one, and that it could not fail to inflict untold damage on Germany's oversea trade and connexions. The German Government realized that, in transferring its contest with Great Britain from the commercial to the military sphere, it had jeopardized the future prosperity of the country. Efforts were therefore made to prove that the War was provoked by British jealousy, and Dr. Bethmann-Hollweg laid constant stress in his speeches on "the safeguarding of Germany's economic future" as one of the most essential war aims.

As the War has gone on, the necessity of "safeguarding Germany's economic future" has become more and more apparent, and the means proposed for doing so have taken different shapes. This must be briefly reviewed if the present situation is to be understood.

There have throughout been two schools of thought on the subject of economic war aims. These are sometimes described as "Eastern" and "Western," but they would be more correctly called "Continental" and "Oceanic." The Continental school, consisting of the agrarians and certain industrial interests, aim at acquisitions of territory and wealth in the Old World. The Oceanic school, which draws its main strength from the commercial and general manufacturing community, aims at strengthening the influence and trading connexions of Germany in the world as a whole. The first school marches under the banner of "Mitteleuropa," which has been stretched to cover far more territory than the name implies; the second has adopted as its watchword "Weltwirtschaft," or "World Economy."

These two sets of aims are not incompatible. There is no party in Germany except the diminishing group of Minority Socialists, which, in the event of victory, would not be ready to exploit both sets of aims to the full. The difference between their exponents is as to their relative importance: as to which, in the event of a negotiated peace, should be regarded as pawns for bargaining, and which should be insisted upon as indispensable. In this great and sustained debate, which has occupied the mind of Germany for close on four years, the exponents of the Oceanic point of view, with the blockade to drive home their arguments, have completely succeeded in proving their case.

The extent and significance of this victory may be judged by a comparison between the state of opinion in 1915 and at the present time. During the summer and autumn of 1915, when Warsaw, Vilna, and Kovno were occupied and the connexion established with Bulgaria and Asia Minor, when Naumann's attractive exposition of "Mitteleuropa" ran into 100,000 copies in a few months, the vast new territories opened up seemed full of boundless possibilities. But before long the professors, who had been set on to make the inventory, began to produce their results, which proved unexpectedly meagre. Disappointment set in, and, by the spring of 1916, when the blockade was beginning to be very severely felt, the Oceanic school was again in the ascendant. Its ascendancy has never been so marked as during the last three months, when, by the treaties with Russia and the Ukraine, a new door has been opened into the depths of Asia, and possibilities of expansion have been presented excelling the utmost dreams of 1915. Never has the gospel of "World Economy" been so loudly proclaimed, or attention been drawn so frankly to the dependence of Germany on her overseas connexions, and to the control exercised over her future prosperity and her very means of existence by the dominant sea-

* "Von kommenden Dingen," written in the summer of 1916.

† Statement by a speaker at a Conference on the 7th August, 1916, in defence of the Government against the charge of industrial unpreparedness.

Power. Amidst the multitude of witnesses a few authoritative pronouncements only can be cited.

On the 9th April, five weeks after the Russian treaties had been signed, Dr. Helfferich, who is generally believed in Germany to be the controlling mind behind the Government's economic policy and plans, made a speech at Stuttgart, in the presence of the whole body of Württemberg Ministers. It contained not a word about the Eastern situation, but consisted of one long harangue against "England" as the instigator of the War and the evil genius of European history. Rejecting the idea of "peace by understanding," he declared that the sword alone could secure to Germany the economic peace-terms indispensable to her continued existence. He defined the economic position and needs of Germany with almost brutal frankness in the following words:—

"Before the War the labour and livelihood of more than a quarter of our 70,000,000 inhabitants arose directly or indirectly out of our foreign connexions. . . . Only the restoration and safeguarding of our place in the world's economy, the restoration and safeguarding of our foreign connexions and foreign establishments can save us from a long continued shortage of raw materials and foodstuffs, from unemployment, low wages, and misery. It is not to protect our frontiers that we are fighting; it is to protect the foundations of our existence. . . . We may maintain and safeguard our frontiers, but if the peace does not restore to us what the British economic war has destroyed, if it does not recover for us free play for our work and enterprise in the outer world—and that not by means of paper agreements, but through the compelling power of facts which we ourselves have set in motion—if we do not insist upon this as a result of our military successes, then—this cannot be said too often—we have lost the war and with it our future. Then we have played for our stakes and lost them; we shall be suffocated; with our population diminished and our standard of life reduced, we shall be thrust back into the misery and weakness of bygone days."

The same moral recurs in the address delivered by Herr von Kühlmann before the Berlin Chamber of Commerce on the 22nd May. It was announced as a lecture on "The Economic Aspect of the Roumanian Peace," and the greater part of the address was devoted to that subject. But in a concluding passage the speaker took pains to make it clear that his experiences in the East have left him a convinced adherent of the Oceanic school.

"It would be a grave mistake," he said, "were we to direct our gaze only to the East and the South-East. These developments are necessary in order to broaden the basis of our economic structure on the European continent, to furnish us with population and resources for the peaceful competition of the future against great territories like North America. But they are not the goal or the end of our evolution. All our efforts to unify our resources and consolidate our basis on our own mother earth—the European continent—must only be allowed to serve, in the last analysis, as a stimulus to German enterprise to put forth yet stronger efforts towards that which is the native element of all great and genuinely free trade—the free sea."

Here the contemplated relationship between continental and oceanic policy is quite frankly revealed. "Mitteleuropa" is regarded as an accomplished fact. Europe can be described, without fear of contradiction from Germany's satellites, as the mother earth ("Mutterboden") of the German business man. But these vast annexations of land, labour, and resources are but a preliminary to the main and indispensable economic war aim—the resumption and safeguarding of Germany's oversea connexions.

Side by side with these pronouncements by the two men most intimately concerned with the drawing up of Germany's economic war aims may be set demands put forward in responsible quarters, giving precision to the necessarily vague statements of the Governmental speakers.

The first to be cited must be the one definite war-aims programme so far drawn up by the Legislature of one of the federated States. On the 16th May the "Citizen Council," or Lower House, of the free city of Hamburg, passed a resolution begging the Senate, or Upper House, to use its influence with the Bundesrat to secure that the following points should be taken into consideration in the negotiation of the future peace treaties:—

1. A sufficient war indemnity, preferably in the shape of raw materials.

2. A larger colonial Empire adequate to the needs of the German people.
3. The guaranteeing of German claims in foreign countries.
4. The restoration of all German rights in foreign countries infringed as a result of the War.
5. Protection against attempts to boycott German enterprise.
6. Safeguards assuring equal rights to German shipping on the seas of the world.

The reasons which impelled the Hamburg community to frame this resolution are obvious enough; but this incursion into Imperial politics by a local Legislature is clear evidence of the widespread uneasiness which prevails at the situation in which the German commercial community finds itself after four years of war. So great has this uneasiness become that the Reichstag has recently taken the unprecedented step of sending a delegation to Hamburg to confer on the situation.

The same preoccupations reappear at the recent meeting of the German Associated Chambers of Commerce, at which a resolution was adopted in the following terms:—

"It must be pointed out with all possible emphasis that all difficulties as to the supply of raw materials after the war and the improvement of the German exchange abroad will be surmounted, at one stroke and without any artificial interference with the economic life of the nation, if the forthcoming treaties of peace secure us a war indemnity of adequate dimensions, and if part of this is paid in raw materials, or if the supply of raw materials is guaranteed to us in some other way. The Imperial Government is requested resolutely to present this demand at the peace negotiations still outstanding."

This programme, as will be observed, embodies an ingenious combination of predatory militarism and "business as usual." The securing of an indemnity by military force is to be made the occasion for the removal of all State restrictions on private trading.

A similar point of view was in evidence at a meeting of the Hansabund, an association of general trading and manufacturing interests, on the 30th April, when great stress was laid on the necessity for complete freedom of action for German enterprise, both as regards shipping and general trade after the war. The chief speaker, Dr. Köhler, the business manager of the association, declared that the conclusion of peace would signify not the end but the beginning of the struggle for the economic and political position of the German Empire in the world, and suggested "the Oceans for Germans" as the watchword of the association's policy. He went on to argue in favour of this "world activity" being exercised under conditions of complete freedom of movement and of enterprise, a point of view which was emphasized by subsequent speakers representing the shipping and textile interests. One of these, Herr Huldermann, Managing Director of the Hamburg-America Line, revealed his preoccupations in the following significant sentences:—

"Under present circumstances peace treaties may not be worth the paper they are written on, for we have to reckon with the personal inclinations of foreign nations. What will the most excellent peace treaties avail us if the nations unite in a voluntary boycott of Germany, and make our labours impossible by unfair customs and police regulations?"

Meanwhile the new Imperial Ministry of Industry, which has been specially entrusted with the preparations for Germany's economic reconstruction after the War, has been examining the question from its own special angle, and has lately drawn the public to some extent into its confidence. At a meeting in Frankfurt on the 14th April Dr. Weber, one of the chief officials of the Ministry, addressing the Union of South German Manufacturers, defended the control policy of the Government on the ground that, "even if the Government pitched its economic demands as high as possible in the future peace negotiations, and even if, in particular, it demanded the granting of currency loans and the signing of contracts for the delivery of raw materials, it is impossible at the present time to forecast the condition of affairs after the signing of peace." In the debate on the estimates of the new Department on the 3rd May the Minister himself was more outspoken:—

"I do not," he said, "take our enemies for a lot of old women. If they are constantly threatening us with an economic war I am disposed to take their words seriously. We must therefore arm ourselves with every weapon that will enable us to withstand them on this field also. For that reason imports and exports must remain under Government control. . . . At a time when there is a shortage of raw materials, and much else that is required for our industrial life, decisions must be made as to the purposes to which they

shall be applied. Somebody must decide as to what is necessary and what is not. The interested parties are not in a position to do so. It is not their business, which is to make the most of what opportunities they have. Only one authority can decide, and that is the Government."

On the 4th May a further declaration of reconstruction policy was made by means of an interview between officials of the new department and representatives of the Press. No attempt was made to disguise the seriousness of the position, and especial stress was laid on the difficulties which would confront the textile industry, which, it should be remembered, employs over a million workpeople in the German Empire.*

"Germany," said one of the speakers, "will have to count on a shortage of raw material for a long time. Cotton crops are less abundant and the demand has increased. In America only 13,000,000 bales were harvested in 1917, as compared with 18,000,000 in 1913, while the demand there has gone up from 5,400,000 to 7,600,000. As England has already purchased the South African and Australian output for several years, wool will be almost entirely under her control. Moreover, the Egyptian cotton crop has also been secured by England for the next two years and jute will also be controlled from there."

Similarly pessimistic language was used about tonnage:—

"A large proportion of German tonnage has been lost during the War and further losses may yet occur. It appears to be impossible during the War to make good these losses in German shipyards, and therefore one must reckon with a reduced German tonnage as well as with a general reduction of international tonnage. No one can prophesy, but it is very probable that there will not be enough tonnage for the necessary imports."

The conclusion drawn by the department was that both shipping and trade must continue to be controlled, but that the conditions of the control must depend on the nature of the peace settlement. "The more favourable Germany's position is on the conclusion of peace the less stringently will these measures be applied."

Quotations could be multiplied indefinitely to show the extent to which these preoccupations as to the economic future of the country are exercising the minds of all classes in Germany. The professors, in particular, many of whom were at first attracted by the lure of "Mitteleuropa," are now singing in chorus in the opposite camp, led by some of the very men who were set on to specialize in "Continental" possibilities, and have been prominent in promoting schemes of closer economic union in the Near East. Articles on "the threatened raw material boycott" are now constantly appearing in German newspapers and reviews; and this is all the more striking because, up till about a year ago, the German Government seems to have tried to prevent the discussion of the subject, lest the realization of the seriousness of the position should cause discouragement. One feature of these discussions, however, deserves especial notice. This is the increasing tendency among sections of the most diverse opinion to advocate a settlement of the economic issues of the War by means of international organization rather than by a victory achieved at the point of the sword, as foreshadowed by the military party. Several striking pronouncements in this sense have been made recently. The most comprehensive of these is an article contributed by Dr. Dernburg to the *Vienna Neue Freie Presse* of the 19th May. He begins by painting the economic outlook of the Central Powers in gloomy colours:—

"Even if we recovered the German colonies and a good slice of the rest of Africa besides, the Central Powers could not meet their demand for raw material. Very few neutral States remain to help us out. Neither Sweden nor Spain nor the Dutch colonies can give us what we need, useful though their contributions are. The rest of the world, with the exception of Mexico, Argentine, and Chile, has joined our enemies; and since all these States retain sovereign powers to regulate their imports and exports in any way they please, there is nothing to prevent them from prolonging their war-time legislation into time of peace. England and her Dominions have already shown the way in this direction."

He goes on to point out that, even if the Peace Treaty provides safeguards against such legislative action, it is a mistake to suppose, as is commonly supposed in Germany, "that the whole world will be only too pleased to enter into business relations with the Central Powers." This is certainly not true of England and France, still less of the Dominions. It is therefore not a question of "securing

* 1,088,280 in Census of 1907.

permission" for the free use of the seas and the delivery of raw materials. Compulsory powers must be provided in case of need to make sure that the Central Powers get their due. This compulsion, he continues:—

"Can only be exercised as the result of an agreement between all the sovereign States to set up an International Rationing Commission armed with powers of judicial decision, which will be empowered to allocate, transport, and pay for the materials on the basis of standards previously laid down. . . . The determination of the quotas will be difficult, but more difficult questions have been known to be settled. What this will mean in practice is that a very large part of the merchant shipping of the world will be plying under a single control, that a long list of materials will be drawn up, and the individual States will be asked, and, if necessary, compelled, to deliver the products of their own territory for the benefit of the world as a whole, so that a general settlement will be brought about between commodities and money. In other words, the distribution of raw materials and of a portion of the articles of consumption will remain in Government hands for a period which, though it will be as short as possible, will not be inconsiderable."

The article concludes by summing up the proposed international economic organization as "a League of Peoples for the Universal Provision of a Humanity pining for Want of Raw Materials."

The putting forward of so bold and comprehensive a suggestion by a politician of Herr Dernburg's standing would be remarkable enough in any event, but it is all the more remarkable in view of the disinclination hitherto of Germans of all sections of opinion to pay serious attention to questions of international organization or the League of Nations. Still more remarkable is the statement of peace-terms contributed to the Junker organ, the *Kreuz-Zeitung*, by an anonymous writer on the 5th June, which includes a demand for "German participation in international commissions of control for all spheres of economic interest in lieu of an actual war indemnity." Men like Dr. Dernburg and the *Kreuz-Zeitung* writer have clearly been driven, contrary to their own natural bent of mind, to advocate international organization, because they can see no other prospect of relief from Germany's inevitable post-war embarrassments.

The practical conclusion which emerges from the foregoing may be briefly stated:—

It is important to strengthen, with every means at disposal, the machinery of economic control in the hands of the Allies, and, more particularly, of the British Empire. The Germans, as has been shown, rate the potency of the economic weapon very high; in some cases, as appears in the extracts quoted above, they have even allowed their apprehensions to outrun their information and announced as a *fait accompli* policies designed to secure the control of important materials for several years ahead, which are not yet known to have been, and perhaps have not been, adopted by the Governments concerned. It may be stated with absolute confidence, from a close study of German opinion, that nothing would do more to encourage the enemy at this moment than any suspicion that there existed reluctance on the Allies' side to perfect their machinery of joint economic organization, irrespective of private, local, or national interests, or to adopt the measures of purchase, control, and unification necessary to render that organization effective for several years ahead.

Inseparably bound up with this, however, is the question of the economic aspect of the post-war settlement. It must never be forgotten that the economic issue is by far the best leverage at our disposal for influencing German opinion. The German public is not interested at this moment in programmes designed to "make the world safe for democracy," or, indeed, in any of the political ideas put forward on either side of the Atlantic in connexion with the peace settlement. But it is vitally and anxiously interested in questions of economic policy, for upon their settlement depends the prospect of a restoration of domestic comfort and national prosperity. Great and not unnatural confusion exists among the German public at present as to the economic policy of the Allies, and this has enabled the military party to whip up much lagging support. If it were made perfectly clear that the Allies intended to use the economic weapon to its fullest extent in order to achieve their declared purposes, including full reparation, but to use it no further, it would have a far more disintegrating effect upon German opinion than any statement of purposes hitherto issued from the Allied side.

IV.

Report of the Conference on Wool Supplies after the War.

(See page 71.)

NOTE BY THE PRESIDENT OF THE BOARD OF TRADE.

For the purpose of giving effect to the resolution regarding the control of wool supplies after the War passed by the Imperial War Conference of 1917, I convened a Conference consisting of representatives of the Board of Trade, the India Office, the Raw Materials Department of the War Office, the Ministry of Reconstruction, and the Governments of the Oversea Dominions.

The Conference met in March, May, and June, 1918, and, as a result of their deliberations, prepared a report, which is now submitted for the consideration of the Imperial War Conference.

Having regard to the terms of reference, the recommendations made in this report are confined to the question of the control of the wool within the Empire, but I desire to call attention to the opinion expressed by the Conference that the arrangements that they recommend regarding wool within the Empire are perfectly compatible with any methods of settling the wider problem of securing adequate supplies of wool for the Empire and the Allies after the War.

A. H. STANLEY.

Board of Trade,
Whitehall Gardens, S.W.,
15th June, 1918.

Report of the Conference.

THE Conference was summoned by the President of the Board of Trade in pursuance of a resolution passed by the Imperial War Conference in 1917. This resolution was as follows:—

"It is desirable that there should be immediate consultation among such of the Governments of the Empire as are concerned with wool production, for the purpose of framing a scheme for the control, as far as possible, of wool produced in the British Empire during the period immediately following the War, with a view to safeguarding Imperial resources and meeting the industrial needs of the Empire and the Allies."

The Conference had before it the statistical tables prepared by the Board of Trade which are set out in the Appendix to this report.

The first set of tables is derived chiefly from official publications of the various countries concerned.

The second set is based on figures derived from private trading sources.

The compilation of accurate statistics of the wool trade is a matter of considerable difficulty, owing mainly to the absence of official information respecting the different qualities of wool imported and exported, but the trading figures, which are not substantially different, on the whole, form a useful support to the official statistics, inasmuch as they distinguish between the three leading types of merino, crossbred, and low wool, which are all treated together in the Custom House statistics. The available information is admittedly incomplete, especially as regards Russia and Asiatic countries. The Conference felt, however, that for the purpose of their inquiry a sufficiently accurate view of the statistical position had been obtained.

The outstanding feature of the statistical position is that the British Empire is self-supporting as regards each leading type of wool. As to merino wool, the production of Australia and South Africa (about 680,000,000 lb.) is nearly four times the pre-War consumption within the Empire, and much more than sufficient to supply all the present Allies and neutral countries on the 1913-15 basis. The production of crossbred wool in the United Kingdom, New Zealand, and Australia (about 400,000,000 lb.) is amply sufficient to provide for the maximum requirements within the Empire, leaving a surplus available for, but not adequate to meet the full requirements of, our Allies. India produces enough low wool to supply the United Kingdom with some surplus for the Allies.

Outside the British Empire by far the largest exporting countries are the Argentine and Uruguay. Their production of merino wool is relatively small (73,000,000 lb.), and cannot take the place of that of Australia, owing to its lower quality. But the exports of crossbred wool (331,000,000 lb.) are essential to the Allies. At least one-third of the latter will be needed to keep up the supply of wool to the Allies on the 1913 level, and the increased requirements of the United States can hardly be met unless the greater part of the South American crossbred wool is available.

The large production of Russian low wool is almost entirely used for domestic consumption. The same is true of the Asiatic countries. Next to the Argentine and Uruguay, Spain is the largest neutral exporter of wool (32,500,000 lb.). No neutral country is a large importer of wool. For the broad purposes of this inquiry neutral countries, apart from the Argentine and Uruguay, do not materially affect the problem.

The Conference unanimously concluded that it was desirable that the whole of the Empire clips should be controlled, and that it was also desirable that if possible some arrangement should be effected by which the destination of the Argentine and Uruguayan clips could also be brought under control, as in that event the Allied nations would effectively control the world's supplies of merino and crossbred wool.

The Conference further agreed that control by means of export licences alone would be unreliable and difficult to work. Wool-growers, moreover, if they were deprived of the advantage of an unlimited world market, would require a guarantee that they would secure a sufficiently remunerative price for their whole produce.

The Conference unanimously concluded that the existing arrangements between the United Kingdom on the one hand, and Australia and New Zealand on the other, formed an acceptable solution of the difficulty. Some modifications would, no doubt, require to be introduced to adapt these arrangements to post-war conditions, but it seemed that the main lines of the existing arrangements might, in the opinion of the Conference, be continued for the period of the War and for a reasonable period thereafter.

The following recommendations are therefore submitted to the Imperial Conference:

1. That agreements shall be negotiated between the Imperial Government on the one hand, and the Governments of Australia, New Zealand, and South Africa, respectively, on the other hand, to acquire the total wool clip of each of these Dominions for the duration of the War and a reasonable period thereafter.
2. That a guaranteed minimum price for each type and grade of wool shall be fixed, to be paid on behalf of the Imperial Government to the wool growers.
3. That certain partnership arrangements shall be stipulated, whereby any surplus which may result from the ultimate sale of the wool shall be divided on an agreed basis. The Imperial Government should act in general accord with the Dominions in defining the policy and laying down the arrangements for the disposal of the wool, both for domestic use and for sale abroad.
4. That negotiations be entered into with the Government of India with a view to securing the exportable surplus of East India wool for Great Britain and the Allied countries, either by a continuance of the present arrangements or by any other means suitable to the special position of India.
5. That during the period of control exportation of wool from any part of the Empire, except under licence, shall be prohibited.

The Conference's terms of reference do not go beyond the problem of wool supplies within the Empire. Some general observations regarding the wider problem may, however, also be submitted.

It will be seen that the Imperial wool clips are sufficient in the case of merino to cover the entire requirements of the Allies and neutral countries, as well as those of the Empire itself, but, as regards crossbred wool, the full requirements of the Allies cannot be met without obtaining large supplies from the Argentine and Uruguay, and this factor very materially affects the wool problem in all its aspects, and especially with regard to price.

The Conference takes the view that the above negotiations within the Empire should be undertaken at once. If it should prove to be possible to make arrangements for securing the supplies of wool from Australia, New Zealand, South Africa,

and India, in their entirety, or the greater part of such supplies, the Conference suggests that it would be proper for the Imperial Government to notify to the Allied countries, and especially to the United States and France, that such arrangements had been made, and to invite them jointly to consider the problem of securing supplies of wool from the Argentine and Uruguay. Upon the result of any such negotiations, and upon the action to be taken by each country with regard to home clips, would necessarily depend the arrangements made for distributing between the various markets, and for fixing the ultimate prices of the wool acquired under partnership arrangements with the various Dominions.

The Conference is of opinion that the arrangements within the Empire recommended in this report are perfectly compatible with any methods of settling the wider problem which may be afterwards agreed upon, and that a very great step would be made in attaining the object which all the Allied nations have in view if this preliminary agreement between the Imperial Government and the respective Dominions could be successfully negotiated.

June, 1918.

APPENDIX.

NOTE ON THE GENERAL POSITION OF SUPPLIES.

Taking 1913 as a standard year for the world's consumption, and assuming that the consumption in the first year after peace will be on similar lines, the figures of consumption, i.e., the distribution of the British Empire and South American clips, would be roughly as follows:—

					<i>In millions of lb.</i>	
					<i>Merino.</i>	<i>Crossbred.</i>
United Kingdom	...	...	...	...	189.0	314.3
Allies	...	...	...	...	365.0	217.4
					554.0	531.7
Enemy countries	...	...	...	...	272.0	129.7
All others	...	...	...	...	15.0	28.1
Total					841.0	689.5

These figures, which are given in detail in table II. (c), represent the import into the countries named of wool from the British Empire (including the United Kingdom) and South America. Their total consumption can only be estimated in the roughest way by adding to these imports the amount of their own home-grown clips, less any part of these that may be exported. An attempt is made to work this out in detail for the United Kingdom in table II. (d). But, as already pointed out, practically all European countries and America do, as a matter of fact, consume the whole of their own clips, and import in addition from the British Empire and South America. The extent of these imports does, therefore, represent their consumption, in the sense that it shows the share taken by them of the world's exportable surplus, namely, the British Empire and South American clips.

It must, however, be kept in view that the actual consumption of wool to-day in many of these countries has changed most materially, and in a way which is bound to affect their post-War consumption. Thus America and the United Kingdom have very largely increased their consumption (especially of crossbred), owing to war conditions, and it is probable that that increased consumption will continue to some extent at least after the War. On the other hand, the invaded districts of France and Belgium have largely fallen out of consumption, and it will be some time after peace before they can possibly return to normal.

In order to estimate how far and from what sources the post-War needs of Europe and America can be met, it is necessary to take the latest available figures of the growth in the British Empire and South America, i.e., those for 1915, and to assume that the supplies in the first year after peace will not differ substantially from these figures. The total supply thus available is as follows:—

	<i>In millions of lb.</i>	
	<i>Merino.</i>	<i>Crossbred.</i>
British Empire (including United Kingdom)...	676	408
South America	73	331
	<u>749</u>	<u>739</u>

These figures are arrived at by extracting the estimated clips of the British Empire and South America from the figures of the total world's production in 1915, as given in table II. (b).

It will be seen by a comparison of these two tables that

1. The needs of the United Kingdom and the Allies together, i.e., 554 million lb. merino, and 531.7 million lb. crossbred, could easily be supplied from the British Empire clip alone, as regards merino, of which they would only take eighty-two per cent. of the total. But they would be distinctly short on crossbred, the whole Empire supply being only equal to seventy-seven per cent. of their apparent consumption in 1913.
2. If, however, the Allies had control of the South American clips as well as of those of the Empire, there would be more than enough to cover the Empire shortage of crossbred for Empire and Allied needs. Their total needs would then leave a margin of twenty-six per cent. of the total merino, and twenty-eight per cent. of the total crossbred, supplies.
3. The needs of the enemy and neutral countries total 287 million lb. merino and 157.8 million lb. crossbred. For the former the surplus indicated under (2) would supply sixty-eight per cent., while the balance of crossbred would more than cover their total requirements of that class.

WOOL TABLES.

TABLE I. (a).—WORLD'S PRODUCTION OF WOOL, 1915.

	Total production.		Production in 1915 by kinds of Wool.		
	1913.	1915.	Merino.	Crossbred.	Carpet Wool, &c.
<i>Millions of lb. (avoirdupois).</i>					
BRITISH EMPIRE.					
United Kingdom	125.0	122.0	—	122.0	—
Australia	648.9	570.0	484.5	85.5	—
New Zealand	186.5	197.0	6.0	191.0	—
South Africa	177.0	180.0	180.0	—	—
Falkland Islands... ..	4.8	4.0	—	4.0	—
Canada	2.8	11.0	5.5	5.5	—
British India	48.9	60.0	—	—	60.0
	<u>1,199.9</u>	<u>1,144.0</u>	<u>676.0</u>	<u>408.0</u>	<u>60.0</u>
ALLIES.					
France	78.2	79.0	15.8	63.2	—
Russia	360.0	380.0	76.0	—	304.0
Italy	21.5	21.0	15.7	5.3	—
United States	300.0	304.0	174.0	130.0	—
Portugal	10.0	10.0	5.0	5.0	—
	<u>775.7</u>	<u>794.0</u>	<u>286.5</u>	<u>208.5</u>	<u>304.0</u>
NEUTRALS.					
Spain	52.0	52.0	26.0	26.0	—
South America	452.0	404.0	73.0	331.0	—
Other countries	348.0	338.0	—	—	338.0
	<u>852.0</u>	<u>794.0</u>	<u>99.0</u>	<u>357.0</u>	<u>338.0</u>
ENEMY STATES.					
Germany	26.1	25.0	5.0	20.0	—
Austria-Hungary	43.9	42.0	8.0	34.0	—
	<u>70.0</u>	<u>67.0</u>	<u>13.0</u>	<u>54.0</u>	<u>—</u>
Total ...	2,891.6	2,799.0	1,074.5	1,022.5	702.0

TABLE I. (b).—INTERNATIONAL TRADE IN WOOL, 1913-1916.

Country.	1913.	1915.	1916.
<i>(a) Imports:—</i>			
	<i>lb.</i>	<i>lb.</i>	<i>lb.</i>
Austria-Hungary	58,527,000	—	—
Belgium	328,387,000	—	—
British India	28,555,000	26,291,000	37,815,000
Canada	7,252,000	13,421,000	21,120,000
France	581,285,000	143,349,000	170,521,000
Germany	441,033,000	—	—
Japan	21,449,000	57,140,000	46,590,000
Netherlands	47,908,000	19,116,000	17,048,000
Russia	121,968,000	8,676,000	19,692,000
Sweden	14,147,000	9,796,000	12,210,000
Switzerland	14,259,000	17,377,000	29,060,000
United Kingdom	535,345,000	799,327,000	572,955,000
United States... ..	195,298,000	412,721,000	449,190,000
Other countries	70,949,000	146,817,000	138,995,000
Total ...	2,476,352,000	1,653,931,000†	1,515,196,000†
<i>(b) Exports:—</i>			
	<i>lb.</i>	<i>lb.</i>	<i>lb.</i>
Algeria	18,489,000	—	—
Argentina	264,656,000	258,874,000	258,889,000
Australia	595,887,000	508,903,000	488,501,000
Belgium	217,737,000	—	—
British India	59,168,000	54,533,000	81,866,000
South Africa	176,987,000	170,025,000	136,202,000
Chile	28,412,000	31,249,000	30,000,000
China	41,769,000	54,500,000	50,313,000
France	78,652,000	10,901,000	20,704,000
Germany	41,778,000	—	—
Netherlands	36,076,000	471,000	220,000
New Zealand	186,533,000	220,473,000	196,570,000
Persia	9,913,000	9,522,000	9,500,000
Peru	10,379,000	12,980,000	12,000,000
Russia	41,592,000	2,876,000	7,380,000
Spain	32,551,000	12,194,000	11,645,000
United Kingdom	28,662,000	32,003,000	13,114,000
Uruguay	140,842,000	89,540,000	48,055,000
Other countries	102,500,000	35,401,000	27,857,000
Total ...	2,112,583,000	1,407,945,000†	1,892,816,000†

NOTE.—It will be observed that the aggregate imports exceed aggregate exports in all years. This is due to the fact that there is a very large interchange of wools between the United Kingdom, France, Germany, Netherlands, and Belgium, with consequent duplication. Moreover, a considerable quantity of the wool exported from the countries named consists of *washed wool*.

TABLE II. (a).—IMPORTS OF WOOL INTO EUROPE AND NORTH AMERICA, 1896-1915. (Wool Year Book, 1916, page 17, Schwarze's figures.)

Years.	Australasia.	South Africa.	River Plate.	Punta Arenas.	Falkland Islands.	Total.
	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>	<i>Bales.</i>
Averages of five years.						
1896-1900	1,696	250	581	19	8	2,503
1901-1905	1,580	219	513	35	7	2,852
Yearly.						
1906	1,838	238	427	33	7	2,598
1907	2,108	287	473	45	8	2,921
1908	2,072	276	484	51	7	2,890
1909	2,296	330	571	52	8	3,307
1910	2,411	377	461	56	8	3,312
1911	2,524	376	499	61	8	3,468
1912	2,463	468	497	53	8	3,484
1913	2,296	484	487	65	8	3,290
1914	2,382	499	406	68	8	3,363
1915	2,157	519	378	45	7	3,106
						Five years' Average.
						2,006
						3,330

* Particulars not available.

† Incomplete.

TABLE II. (b).—WORLD'S PRODUCTION OF WOOL IN 1915, BY CLASSES AND COUNTRIES OF ORIGIN.

(In millions of lb. and percentages.)

	Merino.		Crossbred.*		Low Wools.		Total.	
	lb.	per cent.	lb.	per cent.	lb.	per cent.	lb.	per cent.
BRITISH EMPIRE.								
United Kingdom	—	—	122	12.0	—	—	122	4.1
Australia	484.5	45.0	85.6	8.0	—	—	570	20.0
New Zealand	6	0.6	191	19.0	—	—	197	7.0
South Africa	180	17.0	—	—	—	—	180	6.4
Falkland Islands	—	—	4	0.4	—	—	4	0.14
Canada	5.5	0.5	5.5	0.5	—	—	11	0.4
British India	—	—	—	—	60	—	60	2.1
	676	63	408	40.0	60.0	9.0	1,144	40.6
ALLIES.								
United States	174	16.0	130	13	—	—	304	10.8
France	15.8	1.5	63.2	6.3	—	—	79	2.8
Russia	76	7.3	—	—	304	40.0	380	13.6
Italy	16.75	1.5	5.25	0.5	—	—	21	0.75
Portugal	5	0.5	5	0.5	—	—	10	0.4
	246.55	26.5	203.45	20.5	304	40.0	754	26.8
NEUTRALS.								
Spain...	26	2.5	26	2.5	—	—	52	1.8
South America	73	7.0	331	32.0	—	—	404	14.4
Other countries...	—	—	—	—	388	48.0	388	12.0
	99	9.5	362	34.5	388	48.0	804	28.2
ENEMY STATES.								
Germany	5	0.5	20	2.0	—	—	25	0.9
Austria-Hungary	8	0.7	84	3.0	—	—	42	1.5
	13	1.2	54	5.0	—	—	67	2.4
Total	1,074.55	—	1,022.45	—	702	—	2,799	—

TABLE II. (c).—CONSUMPTION IN PRINCIPAL COUNTRIES OF BRITISH EMPIRE AND SOUTH AMERICAN CLIPS IN 1913.
(i.e., Distribution of Exports of Wool of British Empire and South American Clips.)
(Compiled from trade estimates prepared for the Textiles Committee.)

(In millions of lb.)

Country.	United Kingdom.		Rest of British Empire.		Country.		South American.		Grand Total.		
	Crossbred.	Merino.	Crossbred.	Merino.			Merino.	Crossbred.	Merino.	Crossbred.	Total.
United Kingdom	96.0*	169.0	171.8	25.0	United Kingdom	...	20.0	16.5	189.0	314.3	508.3
United States of America	11.0	25.0	27.0	261.0	United States of America	...	8.0	18.6	33.0	55.6	89.6
France, Belgium, and Holland†	2.5	251.0	39.0	6.5	France and Belgium	...	12.0	98.0	298.0	139.0	437.5
Italy and Switzerland†	1.0	6.5	2.0	6.5	Italy	...	4.0	9.3	10.5	12.3	22.8
Japan, China, and India	—	6.5	—	6.5	...	...	—	—	6.5	—	6.5
Colonial and others	2.0	22.0	7.0	22.0	...	...	—	—	22.0	9.0	31.0
	16.5	311.0	75.0	311.0			54.0	125.9	365.0	217.4	582.4
Germany and Austria	8.0	238.0	40.7	238.0	Germany and Austria	...	34.0	81.0	273.0	129.7	401.7
Russia, Norway, and Sweden	5.0	5.0	—	5.0	All others	...	10.0	28.1	15.0	28.1	43.1
	125.5	723.0	287.5	723.0			118.0	278.5	841.0	689.5	1,530.5

* i.e., amount of home clip retained.

† Separate figures for Holland and Switzerland are not available, but the amounts are believed to be small.

TABLE II. (d).—UNITED KINGDOM CONSUMPTION OF WOOL, 1913 AND 1915.
(In million lb.)

	1913.	1915.
Home production	125.0	122.0
Less exports	28.7	32.0
Total United Kingdom consumption of domestic wool	96.3	90.0
<i>Imports.</i>		
From British possessions	641.6	831.2
From foreign countries	159.0	95.2
Total	800.6	926.4
<i>Re-exports.</i>		
Of British Empire wool... ..	247.3	—
Of South American wool	3.7	—
Total	251.0	123.0*
Total consumption of imported wools	549.6	803.4
Total consumption in United Kingdom	645.9	893.4

Board of Trade.

V.

The Imports and Exports (Temporary Control) Bill.

(See discussion on pages 30-31, 45-46, and 53-58.)

MEMORANDUM BY THE BOARD OF TRADE.

THE object of this Bill is twofold: to continue during the period of transition from war to peace conditions the powers which have been exercised by the Crown during the War as regards the control of imports and exports, which must otherwise lapse the moment the War comes to an end, as they rest, except as regards a very limited range of commodities, on legislation passed since the War began, which without re-enactment will automatically cease with the end of hostilities; and to provide the necessary machinery for carrying out any policy regarding such control after the War which may be decided upon (including, if it is thought desirable, a policy of discrimination between the economic treatment to be accorded to our friends and our foes).

While it is not proposed to apply anything comparable with the control now exercised under war conditions to the export trade after the War, as it is obvious that so far-reaching a system of control would not be necessary in time of peace, and that the sooner the existing control can be relaxed the quicker will be the trade recovery from the effects of the War, it is equally obvious that all foreign trade cannot be left immediately the War ends without any check, and that there must be some transition period during which a policy can be framed to meet the new conditions, which will to a large extent be governed by two main considerations—shortage of many important raw materials, and shortage of the shipping necessary to replenish the supplies of such materials.

Apart from the temporary war legislation referred to above, the powers of the Crown in regard to the control of imports and exports are limited to those contained in:—

(1) Section 43 of the Customs Consolidation Act, 1888, which confers the power of prohibiting by Proclamation or Order in Council the importation of arms, ammunition, gunpowder, or any other goods.

(2) Section 8 of the Customs and Inland Revenue Act, 1879, which confers the power of prohibiting absolutely by Proclamation or Order in Council the

* Including alpaca, etc., which amounted to about 55 million lb. in 1913.

exportation of arms, ammunition, and gunpowder, military and naval stores, and any articles which the Crown shall judge capable of being converted or made useful in increasing the quantity of such stores, provisions, or victual which may be used for the food of man.

(3) Section 1 of the Exportation of Arms Act, 1900, which confers similar powers as regards exportation to any country or place named in any Proclamation made thereunder whenever it may be judged expedient.

The powers conferred by (2) and (3) have been extended by war legislation to cover all goods of any description, and those conferred by (3) have also been extended to cover the exportation of goods to any particular country or place unless consigned to particular individuals, but these extensions operate only while the War continues and any Proclamations or Orders made under them during the War will in large measure cease to have effect.

The present Bill therefore proposes to give to the Privy Council, on the motion of the Board of Trade, the power to prohibit either the importation or the exportation, except under licence, of any goods, or of any goods of a particular origin, or place of manufacture, or shipped from or to a particular country, and to amend or revoke any such prohibitions as may be necessary.

Moreover, in order to tide over the transition period immediately after the War, it maintains in being all existing prohibitions until so amended or revoked, as though they had been imposed by Orders issued under the provisions of the Bill itself and also all licences which may be in existence when the War ends.

Provision is further made for enforcing the necessary penalties for contravention of any Order made under the Bill, by enacting that the provisions of the Customs Consolidation Act, 1888, which impose a penalty in cases of illegal importation, shall apply as though the penalizing clause of this Bill were a part of that Act, and shall be extended to apply equally to cases of illegal exportation.

The maximum penalty which can be imposed under these provisions is treble the value of the goods or a fine of £100 at the discretion of the Commissioners of Customs, while the goods are in each case liable to forfeiture. The very severe penalties imposed by war legislation, including imprisonment in cases of actual trading with the enemy, are for obvious reasons not re-enacted by this Bill, which is framed to deal solely with conditions after the War.

The period of operation of the Bill, as drafted, is fixed at three years, but it is possible that some reduction in this period may be made during the passage of the Bill through Parliament. It will, however, be open for Parliament to decide when the period is drawing to a close whether it is necessary to extend for some further period the powers conferred by the Bill.

It will thus be seen that, without laying down policy, the Bill provides machinery not only (1) for securing the control over imports into, and exports from, this country, which must be exercised in the interests of our own material needs and those of our Allies during the transition period from war to peace, and for a certain period after peace has been established, but also (2) for rationing those commodities of which there is, or will be, a world shortage, in order to avoid a disastrous enhancement of prices due to a scramble for supplies, and also, if it is considered expedient, for differentiating between the economic treatment to be accorded to those who have been our friends and those who have been our foes, with a view to combating any attempt on the part of the latter to crush out industries in this country by a process of dumping, thereby impeding our economic recovery from the results of the War.

The machinery set up by the Bill will be the same as that in operation during the War, viz., prohibition or restriction by Order of Council, subject to exemptions by means of licences.

Board of Trade,

9th April, 1918.

VI.

The Non-Ferrous Metal Industry Act, 1918.

MEMORANDUM BY THE BOARD OF TRADE.

THE GERMAN METAL ORGANISATION.

(See pp. 229-231 of [Cd. 9177].)

VII.

Report of Committee on Imperial Meat Resources.

NOTE BY THE PRESIDENT OF THE BOARD OF TRADE.

(See discussion on pp. 31, 45, 46-50, 58-70, 72-90, 120, and 195-208.)

For the purpose of giving effect to the resolution on the development of Imperial meat resources passed by the Imperial War Conference of 1917, a Conference, consisting of representatives of the Board of Trade, Colonial Office, and the Governments of the Oversea Dominions, was convened by me in October 1917. A committee was appointed by the Conference, under the chairmanship of Mr. Shirley Benn, M.P., to draw up a detailed scheme, and its report was submitted to two further meetings of the Conference held in May 1918. The Conference now commends the report to the Imperial War Conference as a basis for its deliberations.

In submitting the report I desire to point out that the committee did not think it expedient to call before it representatives of the shipping, meat, and cold storage interests, as the general facts of the situation were before them, and the broad views of the members of those industries as to State control were matters of common knowledge, and they did not wish to run the risk of any premature disclosure of their proposals. If, however, the Imperial War Conference adopts these proposals in principle, steps will no doubt be taken by the Governments concerned to consult the various trade interests before introducing the legislation which would be necessary to carry out the scheme.

A. H. STANLEY.

28th May 1918.

ANNEXURE TO VII.

REPORT ON IMPERIAL MEAT RESOURCES.

COMMITTEE.

Mr. A. SHIRLEY BENN, M.P. (*Chairman*);
 Lt.-Col. Sir THOMAS B. ROBINSON, K.C.M.G., K.B.E., representing the Board of Trade;
 Mr. E. J. HARDING, C.M.G., representing the Colonial Office;
 Mr. W. L. GRIFFITH, representing the High Commissioner for Canada;
 Mr. C. C. CHERRY, representing the High Commissioner for Australia;
 Mr. A. CRABBE, representing the High Commissioner for New Zealand;
 Mr. C. du P. CHIAPPINI, representing the High Commissioner for the Union of South Africa;
 Mr. H. W. MACROSTY, O.B.E., Board of Trade (*Secretary*).

INTRODUCTION.

1. This Committee was appointed as the result of a conference convened by the President of the Board of Trade to consider the best means of giving effect to the following resolution passed by the Imperial War Conference of 1917: "In view of the extent to which the United Kingdom and certain other parts of the Empire are dependent on overseas supplies for meat, and of the desirability of freeing British markets from excessive dependence on foreign organisations which control important sources of supply, this Conference is of opinion that there should be co-operation

between the Governments of the Empire to ensure that the Empire should become as far as possible self-sufficing in the matter of meat supplies, and that the Governments concerned should prepare detailed plans with this object."

2. Briefly the position of affairs which led to the foregoing resolution was as follows: Before the war the United Kingdom drew from abroad 40 per cent. of its supplies of beef, 50 per cent. of its supplies of mutton, and 45 per cent. of its supplies of pig products. About half the beef and a large proportion of the pig products were in the hands of a group of American companies popularly understood to be working together. India and the West African Colonies received some supplies of meat (both British and foreign) and the Union of South Africa some bacon from the United Kingdom, while British Possessions in the Mediterranean and the East, as well as Canada, imported from Australia and New Zealand.

NATURE OF THE PROBLEM.

3. The question remitted to us was that of co-operation between the Governments of the Empire to ensure that the Empire should become as far as possible self-sufficing in the matter of meat supplies, but we feel bound to point out that the needs of the Empire cannot be considered in isolation, and that account must be taken of the changes during the war in the meat-consuming habits of the population of Europe and of the needs of foreign Powers for importing meat supplies after the war. For example, since 1913, the number of cattle in France has decreased by 2,000,000 head, and the cattle herd of Italy has declined by about 1,400,000 since 1915. At the same time the soldiers and many workers of these two countries have during the war acquired a taste for meat-eating which they did not previously possess, but are likely to retain in time of peace. Belgium and Serbia will have to be restocked and the people maintained during the period of replenishment. Finally, the Central Empires will also be very short of animals for food, and will have to enter the international meat market.

SOURCES OF IMPORTED MEAT SUPPLIES.

4. In these circumstances a brief indication of the world's sources of supply of imported meat will be useful. As the United Kingdom is by far the most important of the parts of the Empire (and, indeed, of the world) dependent on outside supplies, a short survey of the countries from which it obtains its imports will also help in indicating those parts of the world in which the development of meat production may be expected.

(a) *Beef*.—The United States had practically ceased to export beef by 1912, and their place as an exporter had been taken by the Argentine Republic and Uruguay. Australia and New Zealand supplied smaller amounts, but not more than 26 per cent. of the United Kingdom imports.

(b) *Mutton and Lamb*.—Australia and New Zealand contributed together 75 per cent. of the United Kingdom imports, the balance coming from the Argentine and Chile.

(c) *Pork, Bacon, and Hams*.—The United States were formerly the main suppliers of pork and bacon, but in recent years they have been largely displaced, in the case of pork, by the Netherlands and, in the case of bacon, by Denmark; they still, however, contribute the main supply of hams imported into the United Kingdom. A little over 5 per cent. of the total imports of pig meat is derived from Canada.

5. During the war new sources of supply of beef within the Empire have been developed in Canada and the Union of South Africa. Future potential sources of supply are Rhodesia, East Africa, and possibly Nigeria. In the case of mutton the Union of South Africa seems to present possible opportunities for development. Australia and New Zealand are beginning an export trade in pork. It is, however, obvious that for many years to come the British Empire must continue to be partially dependent on foreign countries for its imported supplies of beef, pork, bacon, and hams.

DEVELOPMENT AND CONTROL OF MEAT SUPPLIES.

6. It appears to us that the questions arising out of the present enquiry must be considered under three heads:—

I.—Development of sources of supply.

II.—The question of oversea transport.

III.—The question of supervision of production and distribution (under which we include schemes of Government purchase and control).

We propose to deal with each of these subjects separately.

I.—DEVELOPMENT.

7. We assume that it will be part of the policy of the Imperial Government to increase the production of meat in the United Kingdom, but the fostering of such a policy (including the encouragement of pig-breeding to the fullest extent, both for farmers and cottagers) naturally falls to the Departments of Agriculture concerned, and we consider it unnecessary for us to deal with the matter here. Similarly, the development of the pastoral industries in the oversea parts of the Empire is a subject to which much attention is devoted by the Governments concerned,

whose policy is, through the efforts of their Agricultural Departments and in other ways, to stimulate production in every way possible. As regards foreign countries, it is obvious that we cannot submit suggestions for the development of their pastoral industries. Altogether, in this part of our report, we are forced to restrict ourselves to very limited proposals. We think it well to take each part of the British Dominions, and also foreign countries, separately.

THE BRITISH EMPIRE.

Beef.

8. *Canada*.—Canada is most anxious to resume the exportation of store cattle to the United Kingdom, and we think that this method of developing the export trade is likely to prove suited to the needs of the Dominion. At the Imperial War Conference of 1917 the subject of the present exclusion of Canadian cattle was fully discussed, and Mr. Prothero stated that "we do not believe that there is now, or has been for a good many years past, the slightest ground to exclude Canadian cattle on the score of disease." We recommend that the Imperial Government should arrange to accept a veterinary examination of cattle for export at the port of shipment. As soon as shipping is available we see no reason why there should not ensue a considerable trade in store cattle.

9. *Australia and New Zealand*.—Queensland is pre-eminently the beef-exporting State of the Commonwealth, and, with the exception of West Australia and the Northern Territory, it is there that development for export is most promising. Both in Australia and in New Zealand, however, the beef industry is a well-established one, and its natural progress, together with the incentive of high prices during the war, has raised the export from Australia from 67,000 tons in 1913 to 99,000 tons in 1917; and that from New Zealand from 12,000 tons in 1913 to 53,000 tons in 1916, and to 44,000 tons (including unshipped beef) in 1917, a year when tonnage was short. Further development must necessarily depend on increase of population and opening up of the countries, both of which matters raise questions of policy with which we are not directly concerned. In so far, however, as development of the meat industry depends on the supply of railway and other material and plant from the United Kingdom, we recommend that, after the war, priority should be given to the needs of the various parts of the Commonwealth and of the Dominion over demands coming from other sources.

10. *Union of South Africa*.—As regards internal development, the problem in the Union is much the same as in Australia and New Zealand, and what has been said above as to supplies of material from the United Kingdom applies here also. One most serious difficulty in the way of an export trade in beef has been, however, the absence of a proper service of meat-carrying ships. Producers have complained of lack of tonnage and shipowners of uncertainty of cargo. We deal with this problem under the heading of transport.

11. *Rhodesia*.—This territory undoubtedly possesses considerable possibilities as a cattle-producing country, but the problem in Rhodesia, even more than in the Union of South Africa, is one of improving the means of land transport, and the foregoing remarks as to supplies of material from the United Kingdom could well apply. The farmers are at present aiming at the creation of an export trade by the erection of a co-operative canning works. If shipping facilities for the Union of South Africa be increased they should be made available for Rhodesia also.

12. *Nigeria*.—In Nigeria the Northern Provinces alone are of importance from the point of view of the production of beef, but all the territory has been declared by law "native lands" to be administered for the use and common benefit of the natives, and there is, accordingly, no prospect of extensive concessions to Europeans for ranching. The Colonial Office has advised us that there is practically no possibility of Nigeria being able, within the next five or six years, to supply even the British West African Colonies with beef, still less to start an export trade to the United Kingdom. It would seem that the most effective means of progress is to develop the veterinary branch of the Agricultural Department, and if possible to initiate experiments in crossing native cattle, particularly humped cattle, with imported European cattle.

13. *East Africa*.—The beef products of the East Africa Protectorate are sufficient to provide for the ordinary requirements of the region, but we are informed by the Colonial Office that progress in the direction of export trade must necessarily be slow. As in Nigeria the question turns chiefly on the protection of native rights. We understand that in the East Africa Protectorate, as well as in Nyasaland, Government farms have been established where breeding experiments have been conducted, and we would urge that these experiments should be continued and extended with particular reference to the production of cattle satisfactory from the beef point of view.

Mutton.

14. Many of the remarks in the foregoing paragraphs apply to the case of mutton and lamb. There is, however, an essential difference between the case of mutton and that of beef in that, as we have shown, much the larger share of imported supplies of mutton comes already from within the Empire. We think Australia and New Zealand should, within the next few years, be able to supply the whole of the requirements of the British Empire in the way of mutton and lamb, and we need only mention as additional potential sources of supply the Union of South Africa and the Falkland Islands. Possibilities also exist in Nigeria and East Africa, and we suggest that experiments should be undertaken as to the crossing of native with European sheep.

Pork, Bacon, and Hams.

15. The proportion of the supplies of imported pig products which come from within the Empire is so small that we think it out of the question to propose detailed schemes of development which would have any prospect of making the Empire self-sufficing in this respect. Expansion of Imperial supplies must be left to the natural growth of agriculture in the various parts of the Empire and in particular to the progress of closer settlement in the self-governing Dominions, especially in Canada.

FOREIGN COUNTRIES.

Beef.

16. *United States.*—The attraction of high prices and, latterly, deliberate abstention from consumption have brought the United States again into the ranks of exporting nations, but although its capacity for increased beef production is not by any means exhausted, we have to reckon with the possibility that after the war the growth of population may not only absorb all the beef produced in the country, but also cause a resort, as in 1913-15, to importation. In 1915, about 50,000 tons of meat were imported from the River Plate and the contracts made between the meat companies and the shipping companies contemplate that at an early date the imports into the United States might exceed 100,000 tons per annum.

17. *Argentine and Uruguay.*—So far as the United Kingdom is concerned the problem is not alone one of increasing the aggregate output of the Argentine Republic and Uruguay, but of securing control of a larger share of the trade, and that problem will be considered later. Of the two States the industry in Uruguay is the less developed, but American companies are now erecting additional works. For practical purposes the exportable surplus of the River Plate may be put at between 600,000 and 700,000 tons a year in the near future, or about double the pre-war export. In 1916 it was 494,000 tons and somewhat less in 1917.

18. *Brazil.*—Brazil with about 30,000,000 cattle is one of the great beef-producing countries of the future, though its output is now only about 60,000 tons a year. Much has to be done to improve the breed of cattle before the beef produced is of the quality appreciated in British markets, and as Brazilian beef has so far chiefly found acceptance in France and Italy it is, from the immediate point of view, rather as a means of meeting the continental demand than as furnishing an increase in British supplies that the development of Brazil has to be considered. In view, however, of the rapidity with which Brazil is being opened up, the problem of promptly securing for British companies an adequate share in that development must be considered with the similar problem in other parts of South America.

19. *Colombia.*—The cattle resources of this State are now being explored by a British company and appear capable of a moderate export of perhaps 2,000 tons a month.

20. *Venezuela.*—There is one meat-works in this country which appears capable of dealing with the output, which under favourable circumstances might rise to 10,000 or 15,000 tons of beef a year for export.

21. *Madagascar.*—The present productive capacity of the meat-works is about 8,000 tons of beef per annum, all available for export, and it is probable that after the war the French Government will endeavour to develop the resources of their colony to the fullest.

22. *China.*—Manchuria and the Yangtze valley are new sources of beef supply that have been developed during the war, and have proved useful in helping to provision Italy. The effect of the withdrawal (for war purposes) of all insulated tonnage from the Far East, and the difficulties of exchange, make it hard for us to estimate what will be the situation on the restoration of peace, but the existence of this new source of good beef must not be left out of account.

Mutton.

23. *South America.*—The exports of mutton from Argentine and Uruguay have, owing to the greater attractiveness of the beef trade, been stationary or decreasing. The southern portions of the Argentine and Chilian Patagonia are exclusively sheep-rearing districts, but the possibilities of their development are not great enough to produce any effect on the vastly superior capacity of Australia and New Zealand.

24. *Netherlands.*—The Netherlands have always in the proper season given a small but not unimportant supply of fresh mutton to the London market, and, though that has latterly been interrupted by war conditions, it will probably be renewed.

Pig-Meat.

25. *Denmark and the Netherlands.*—Before the war Denmark was the chief source of supply of bacon to the United Kingdom, and the Netherlands of fresh pork. Although war conditions have compelled a great reduction of the pig herds of these countries and a consequent reduction of British supplies, the pig is so prolific an animal and the energy of the Danish bacon producers is so great that the trade will probably before long be restored to its former proportions.

26. *United States.*—The United States are the chief suppliers of imported hams and are second only to Denmark as suppliers of bacon. Their capacity to export will be limited only by the demands of their own population and by the power of Canada and Denmark to compete.

27. *China.*—China is the one new source of pork and bacon production which the war has brought forward. At present the capacity for export is about 30,000 tons a year, but the possibilities are quite unexplored, and what has been said about the difficulties of exporting Chinese beef in paragraph 22 applies equally to Chinese pork and bacon.

II.—THE PROBLEM OF TRANSPORT.

28. Bacon and hams, except in unusually hot weather, can with proper stowage and ventilation be carried in ordinary cargo space, and their transport need not concern us specially. Fresh beef, mutton, and pork, must, on the other hand, be conveyed in steamers equipped with refrigerating plant, and, though for practical purposes no account need be taken of the small imports of frozen pork, the transport of beef and mutton gives rise to special problems. Leaving out of account the Atlantic liners and the insulated steamers sailing between Australia, New Zealand, and the Pacific coast of North America, we estimate that if the British insulated steamers now afloat were put back into their proper trades, and were run under commercial conditions (due provision being made for the trade in dairy produce, rabbits, and fruit from Australia and New Zealand), they would not, even under the most favourable circumstances, be able to transport to the United Kingdom more than a million tons of meat in the year.* This is a theoretic figure from which in practice heavy deductions would have to be made, especially since steamers arriving in Australia and New Zealand at certain seasons do not find any meat waiting and have to carry general cargo in their insulated spaces. British insulated steamers now under construction and likely to be completed within the next two years would under similar conditions be able to carry about 200,000 tons of meat in 12 months. Against this new construction must, however, be set the losses that will occur before restoration of peace, either by enemy action or marine accident. In addition to British tonnage, the annual meat-carrying capacity of French and Italian insulated steamers now afloat will be under peace conditions about 130,000 tons. This carrying capacity may be compared with the requirements of the Allied importing countries and with the exporting capacity of the producing countries.

29. The United Kingdom imported 755,000 tons of frozen beef, mutton, and lamb in the 12 months ended 31st July 1914, and its probable post-war requirements may run to 750,000 or 800,000 tons a year. France and Italy will probably end the war with a reduction of not less than 5,000,000 cattle and 7,000,000 sheep in their herds and flocks. This is equivalent to about 1,400,000 tons of meat, and allowing five years for recovery would necessitate an importation of 250,000 tons a year during that period. The population of Belgium will have to be fed for some years, while the country is being restocked, and the same is true of Serbia. What this may require is a matter of pure speculation, but it cannot be much short of 200,000 tons a year. Finally, the United States may require about 100,000 tons a year. A conservative estimate of needs would thus yield us a total of about 1,300,000 tons a year.†

30. Turning to supplies, we may expect in the near future, provided that shipping tonnage is available where and when it is required, about 700,000 or 800,000 tons (of which about one-eighth will be mutton) a year from South America, about 350,000 tons a year from Australia and New Zealand (140,000 tons beef and 210,000 tons mutton and lamb), and from 50,000 to 100,000 tons (mainly beef) from other sources, altogether from 1,100,000 to 1,250,000 tons a year.

31. It is, however, clear that there will be a shortage of shipping tonnage, and that, unless there is an increase of shipbuilding on a fairly extensive scale, production will be hampered and the provisioning of the Allied peoples will be subject to the risk of high freights and high meat prices. The cost of shipbuilding after the war will for some time continue to be higher than it was before the war, and it may be that if building of insulated ships on private account is not economically possible the Government may have to step in to ensure the national food supplies.

32. The owners of refrigerated tonnage in the Plate trade will have to carry out contracts for five or ten years made when the costs of operation were far below what they will be at the end of the war, and, unless the Imperial Government intervenes, will have to run at a loss or make fresh terms with the meat companies; the latter course might conceivably reduce the supplies of the United Kingdom by diverting them to higher-priced markets.

33. We accordingly recommend:—

(a) That all insulated steamers at present under construction or on order should be completed as speedily as possible, and that during the first five years after the war priority should be given for the construction of insulated steamers for British owners sufficient to convey exports of meat from the producing countries up to the amount needed to meet the needs of the Empire and the Allies.

(b) That the construction of insulated ships for foreign owners and the sale or transference—fictitious or genuine—of British insulated ships to foreign control should be prohibited during the "reconstruction period" except with Government permission.

(c) That for a period after the end of the war the Imperial Government should control insulated ships registered in the United Kingdom and the Dominion Governments insulated ships registered in the Dominions so that the Imperial Government and the

* Before the war a larger fleet of insulated steamers transported only about 750,000 tons of meat.

† In addition, the needs of the Central Empires and their present or future meat-carrying capacity will have to be borne in mind, but with this problem we do not deal.

Oversea Governments acting in concert in all matters affecting both the United Kingdom and the Oversea Dominions might be able, when necessary, to determine the cargo to be carried, the movement of the ships, and the rates of freights.

(d) That so far as insulated steamers are suitable for service on the respective routes, they should be so used as to give a priority to meat produced within the Empire, subject always to the need for bringing to the United Kingdom a full supply of beef.

(e) That, if Government control of shipping should come to an end, shipowners should be forbidden to charge different rates on refrigerated produce to large and to small shippers at the same time for the same service. We would also urge that it is in the interests of shipowners themselves that freight rates on refrigerated produce should be fixed from time to time in consultation with various groups of shippers, with, where necessary, the friendly assistance of the Governments concerned.

34. The Union of South Africa is in a special position, in that there is not at present an adequate service of insulated ships to the United Kingdom.* The problem of supplying the required service is entirely a business one, which we hope the Union Government will at once proceed to examine in detail with the shipping lines. Elsewhere we make recommendations which would enable the Imperial Government to offer the Union Government a guaranteed market for the meat during the years following the war.

III.—SUPERVISION OF PRODUCTION AND DISTRIBUTION.

35. In connection with recent developments in the meat industry, the matter which has attracted most public attention and aroused most alarm is the alleged attempts of the organisation known as the "American Beef Trust" to obtain control over Imperial supplies. Some account of its activities is, therefore, necessary.

"The American Beef Trust."

36. As far back as 1890 an inquiry was held by the United States Senate, and their Committee reported that the beef business in the United States was mainly in the hands of the Armour, Hammond, Morris, and Swift Companies, which acted in unison to reduce the price of cattle and to fix the price of beef. The Bureau of Corporations found that in 1903 the six companies of Armour, Swift, Morris, National Packing, Sulzberger, and Cudahy slaughtered 45 per cent. of all the cattle in the United States and supplied from 50 to 75 per cent. of the beef consumed in the eastern cities. Armour, Swift, and Morris owned the National Co. (a combination of Hammond and other firms) and were believed to act closely together both in the purchase of cattle and in the sale of beef. Sulzberger and Cudahy were independent, but in 1915 the Sulzberger Co. was brought under the control of financial houses in which Armour and Swift were interested.

The National Packing Co. was dissolved and its member-firms redistributed between Armour, Swift, and Morris in 1912. There is a considerable amount of evidence as to agreements about price, allotment of output, division of markets in the States, and concerted purchasing, but there has been no proof of a formal combination. The arrangement between Armour, Swift, Morris, and Sulzberger (now Wilson) is of the nature of a "gentlemen's agreement," and, while a certain amount of efficiency competition among branches is allowed, it is never permitted to go too far. The capital of the four companies is well in excess of 24,000,000*l.* sterling. During the time when the United States was the chief supplier of beef to the United Kingdom these leading American companies controlled all the refrigerated beef coming into the United Kingdom from the United States and a large proportion of the live cattle. Their London representatives used to meet regularly to fix prices, but some time before 1908 the meetings ceased, or at least became less formal. In 1907 the American companies entered the River Plate, and, after severe price-wars, in 1911 and 1913-14 they reduced the British and native companies to a position of subordination, raising their own share of the trade from 46 to 62 per cent. and reducing the British share from 31 to 27 per cent. During the war the Imperial Government arranged for the reopening of the Las Palmas works belonging to one of the British companies, and the American share of the Plate trade has fallen to about 60 per cent. In 1913 the American companies controlled 55.6 per cent. of the imported beef supply of the United Kingdom. They own about 31 per cent. of the mutton output of Patagonia, and about a third of the output of Brazil. Swift & Co. are building new works in Paraguay and Brazil, and Armour & Co. in Patagonia, Uruguay, and Brazil.

Swift and Armour have branch companies in Canada owning one-sixth of the cold storage space of the abattoirs and packing houses. In Australia, Swift's have a company which owns two works in Queensland, with a killing capacity of rather less than one-fourth of that of the whole State. Armour & Co. have close business relations with certain of the Australian meat companies and have gone beyond the ordinary practice of buying c.i.f. cargoes by buying in 1914 the whole output of one company's works for seven months and the greater portion of the

* The Mail Contract between the Union Government and the Union Castle Line stipulates that the freight on frozen mutton and lamb shall be 1*d.* per lb., and that the freight on chilled beef shall be the same as the current Argentine rate, subject to the shippers contracting for a series of voyages. The shipping company must provide at least 18,000 cubic feet of cool space in each mail steamer for all kinds of refrigerated produce.

output of another company's works.* Armour & Co. in 1917 acquired a meat-trading company in New Zealand, but have no share in any freezing works; they buy for export a large number of sheep and lambs, and have them killed and frozen at works belonging to other companies.

37. It will be seen from the foregoing that the associated American companies operate differently in the various countries where they are established. In the United States they buy cattle, kill, and sell; in South America they buy cattle and sheep and produce chilled and frozen meat for export; in Canada two of them have extensive cold storage; in Australia one American company has freezing works and another is an extensive buyer of frozen meat, while the latter company also buys stock in New Zealand and has the animals killed and frozen on commission; in the United Kingdom they sell imported meat through wholesale branches and agencies distributed over the country. Consequently, while those companies have great opportunities of dominating the beef trade everywhere, they must be dealt with differently according to the circumstances under which they operate, according to whether their dealings affect most the producer or the consumer, and whether they operate within the British Empire or in foreign countries.

Control by the Oversea Governments.

38. The Oversea Dominions are still in the main primary producers, and their first concern in connection with meat supplies is to protect the interests of their farmers. Where, however, as has actually happened, a foreign firm establishes a subordinate company and offers, for the time being, higher prices than the market warrants in order to get together a large connection, there are strong grounds for fearing that, especially if other companies do the same, the same results would follow as have happened in the Western States of America, and the large buyers would ultimately drive the small independent buyers out of business and so be able to fix the prices of stock to the detriment of the farming community. A formal or informal combination of companies for export trade would be formed, and would probably bring with it a domination of local meat markets in the Dominion concerned, forcing up meat prices to the cost of the consumer as well as reducing cattle prices to the loss of the producer. Quite apart, however, from the intervention of foreign companies, there is also the possibility that a domestic combination might arise which might be in a position to exploit both producer and consumer. It seems clear that some Government control is necessary.†

39. The first step in control of the meat industry in the common interests is that all freezing works, cold-storage companies, meat-exporting companies or firms, and also the buyers or agents for non-resident companies should be licensed by the Dominion or State Government concerned, and only allowed to do business on specified conditions. In the case of freezing works and cold-storage companies, these should be—

(a) That a specified proportion of the killing, freezing, and storage space should, on formal application by the farmers or traders to the Government, be reserved for custom trade, and the companies to the extent of that space should be compelled to kill, freeze, and store on commission for all-comers.

(b) The rates for killing, freezing, and storing should not be subject to any rebates, allowances, or discounts special to particular firms or companies, and should, for each local territory, be subject to the approval of the Government concerned.

(c) Periodical returns should be made to the Government concerned, showing the numbers of stock killed, the persons on whose account business was done, and any other particulars required by that Government.

All buyers of stock for freezing or of refrigerated meat for sale or export should be—

(a) Required to furnish such returns as the Government concerned may order relating to the stock bought, prices paid, &c.

(b) Subject to withdrawal of their licence on proof being given before a judicial or quasi-judicial authority, set up for the purpose, that they have acquired or are attempting to acquire a monopoly, either of purchase or of sale, prejudicial to the common interests.

40. We also suggest that a Dominion or State Government might find occasion to acquire or control one or more meat works for killing, freezing and storing meat, both on account of that Government and on commission, as a means of checking costs and prices, and also, on occasion, of countering monopolistic manoeuvres.

41. These proposals may serve as a basis for permanent control of the meat industry, if such control is found necessary. Until experience has been had of their working we are not disposed to urge the adoption of more drastic measures of a permanent character. But we are forced to recognise that the first few years after the restoration of peace will not be a period of normal trading. War conditions, both in the United Kingdom and in the Dominions, will continue for some time; special measures will probably have to be taken for the allocation of meat supplies among the Allies; whilst the shortage of tonnage will make it essential that it should be used to the best advantage and in the common interest. The great necessity of the immediate future is that the production of meat, which has been increased during the war, should be still further augmented and directed to the right quarters, and that risk of violent

* See Mr. Justice Street's Report on the Meat Export Trade of Australia, No. 33 of 1914.

† See Report of the New Zealand Meat Export Trade Committee, 1917.

fluctuations of prices in a disturbed market should be avoided. It is important that the producer should have that feeling of security which is necessary for the expansion of business. Both the producing and freezing interests will know that the trust danger is hanging over them. The American companies are wealthy enough to enable them to tide over any difficult times in which smaller companies would go to the wall, and there will be reason to fear that they may seize the opportunity of obtaining control of the production of meat.

42. In these circumstances we suggest that it might be advisable that, during the period of reconstruction, the system of State purchase of the exportable surplus of meat, which has been in existence for the last three years in Australia and New Zealand, should be continued and extended to the other Dominions producing meat. This would require the consent and co-operation of the Imperial and Oversea Governments, and involves the question of the distribution of the meat in the United Kingdom or other importing portions of the Empire, and also the allocation of part of the supplies to other countries. Here we deal only with the purchase of the meat. By negotiation between the Imperial Government and the Oversea Government concerned prices should be fixed at which the latter should buy from the freezing works the exportable surplus of all meat and "sundries," subject to the provisions of paragraphs 52 and 53. These prices should be based on cost of production plus a rate of profit commensurate with the usual local return to capital and reasonably sufficient to stimulate additional production (see also paragraph 47). The establishment of State freezing works, as suggested in paragraph 40, might assist in the determination of costs and prices.

43. We have not thought it possible to define by a specific number of years the period following the war referred to as the reconstruction period, as its length must depend on circumstances which we are not able to forecast. It is sufficient for us to say here that the course of events during that period, and the working of the proposals which we have put forward, should be carefully watched, since, after some time, it may be possible and desirable to revert to normal conditions of trading, or to relax the control by substituting for the full system of State purchase a more limited scheme.

Government Control in the United Kingdom.

44. Proceeding on parallel lines with the action suggested in the Dominions, we recommend that the Imperial Government should take powers to license all importers of meat, and that these licences should be revocable for action contrary to the interests of the community. In order to ensure equality of treatment to all persons desiring to store refrigerated produce in a public warehouse, the Government should also take powers to control, where necessary, the use of cold stores in the interests of the community. Returns of produce stored, the names of the owners, and the periods for which the goods are held in store, should be kept by the warehouse keepers, and should be open at all times to Government inspection. Steps should also be taken, where necessary, to ensure that dock accommodation (including warehouses) should be sufficient for the prompt discharge of ships, and that suitable provision is made for the speedy delivery of meat to markets in good condition.

45. We would also call attention to an incidental advantage which will follow from the purchase by the Imperial Government of the exportable surplus of meat from the Oversea Dominions during the transition period. In ordinary course certain Departments of the Imperial Government—in particular, the Admiralty and War Office—and also municipal and other local institutions are large buyers of meat, and much economy in the ordinary expenditure of those bodies has resulted from the utilisation of the contracts made during the war by the Imperial Government, while the removal of such large buyers from the ordinary markets has had a moderating effect. In the arrangements for the post-war distribution of any meat purchased by the Imperial Government, the needs of the various Government Departments and local authorities will no doubt be supplied direct, and considerable savings should result.

46. The general distribution of meat purchased from the Dominions during the transitional period should be controlled by the Imperial Government, at least as far as wholesale transactions are concerned, and in this the existing trade organisations should be utilised and extended so that no part of the country should be left without supplies of meat produced within the Empire. The freezing works for themselves or their clients should continue to recommend (as they have done during the war period) the houses through whose hands they wish their products to pass; so that, at the termination of the State purchase scheme, trade connections may be maintained, but these recommendations should be subject to the approval of the Imperial Government, and before granting this approval any representations of the Oversea Government concerned should be taken into account. When the meat has been released to these importing houses, they should, as agents for the Imperial Government, undertake its distribution to the wholesale houses or to retailers according to previous practice, subject to any limitation on the amount of sales to individual firms which the Imperial Government might impose. The wholesalers should, in turn, undertake the distribution to the retail trade. The agents should, as at present, receive a commission on their sales, or its equivalent in a fixed rate per lb., and wholesalers should be limited to a definite rate of profit per lb. above the price at which the meat was bought from the agents.* Both agents and wholesalers should hold their books open to inspection and furnish

* At present agents receive 1 per cent. on ex ship sales and 2 per cent. on other sales, while wholesalers are allowed 4d. per lb. gross addition to the price at which meat is sold to them. The latter is higher than in pre-war time, to compensate the wholesalers for their much smaller turnover.

regularly summary particulars of their transactions; for breach of the regulations they would be liable to be struck off the lists of agents and wholesalers.

47. The meat would thus be delivered to the retailer at a price compounded of the landed cost of the meat, the expense of internal distribution, and administrative charges. Further, the wholesale prices of the meat should bear a proper relation, quality for quality, to Plate meat, and should this involve a profit, that profit should be divided in proportions to be agreed between the Imperial Government and the sellers of the meat in the Dominions. Competition among butchers would probably result in retail prices being kept at a level which would not allow the retailers to make undue profit. It will be the policy of the Government to keep wholesale prices as low as possible, but should there be a shortage of meat a butcher should not be allowed to gain by buying cheap from the Government and selling dear to the consumer. In any such case, the Government will have the power to refuse supplies.

Control of South American Meat Supplies.

48. The great bulk of imported mutton and lamb will be obtained from Imperial sources, but as has already been pointed out, the United Kingdom is and must continue for some time to be dependent on foreign countries, principally the Argentine and Uruguay, for the great bulk of its imported beef supply. The main problem is how to act so as to strengthen British companies against undue foreign competition and to protect British markets at home from foreign control.

The present position in the Argentine and Uruguay is that two British companies, the British and Argentine Meat Company, Limited, and the Smithfield and Argentine Meat Company, Limited (including the Las Palmas works of the former company), produce about 20 per cent. of the present output. In addition, there are the works opened in the summer of 1916, owned by Vestey Brothers, Limited, a registered English company controlled by Sir William and Mr. E. H. Vestey who reside in Chicago, and their share of the present output is about 7 per cent. of the whole.

49. The Las Palmas works of the British and Argentine Meat Co., Ltd., have been run by that company on behalf of the Board of Trade on profit-sharing terms, and a large profit has accrued to the Imperial Government during the war. This experience shows that, when business has been conducted on the same terms which the American companies secured, it has been free from risk; in addition, the Government has obtained an insight into the costs of operation which could not have been got otherwise, and has been of great value in controlling contract prices.

50. In our opinion the most effective methods of securing an adequate share of the South American meat supplies for the United Kingdom are either the establishment of meat works owned by the Imperial Government or the strengthening of British companies at present operating there. Proceeding on the accepted method of utilising existing institutions, we propose that the Imperial Government should guarantee to all purely British companies (including Vestey Brothers, Limited, if they made such arrangements as would ensure that their works were fully under British and not under foreign control) a fair return on their capital. In return these companies would be required to terminate all their engagements with the other meat companies, and to place themselves fully under the control of the Imperial Government. They would be bound to produce meat in the quantities specified, and to place it on the market under specified conditions. With the quantities of South American and Colonial meat thus at their disposal, the Imperial Government would be in a position to regulate the market and to counter any price-raising manoeuvres. Probably, subject to a general supervision, it would be sufficient to leave the companies liberty of action so long as the ordinary dividend earned did not exceed a specified rate, the surplus above the guaranteed minimum being shared equally by the companies and the Government. The Government share of the earnings might then be kept as a contingency and development fund. The foreign companies operating in the Plate would not be able to sell at prices above those resulting from the controlled trading of the British companies, for if they tried to sell dear they would lose trade. On the other hand, if by more efficient methods they could fairly undersell the British companies, the latter would have to meet their prices and would be forced by the reduction in their dividend to improve their methods. The detail work of distribution might be left to the companies, but they should be encouraged and might be helped to extend their organisation so that no part of the country might be left to be supplied with imported meat solely by foreign companies (compare paragraph 46). It is the general opinion of the trade that the foreign companies would cease to be unfairly aggressive once they knew that the Imperial Government was behind the British companies, but if that expectation proved incorrect, the British companies with the Government behind them would be in a better position than their opponents to face a price-war as (following our recommendations in paragraph 33) the Imperial Government would be in control of all insulated shipping registered in the United Kingdom. The guarantee scheme here outlined would, of course, be for a term of years, at the end of which it could be abandoned or modified.

British Development of new Countries.

51. The encouragement of the opening up of new sources of supply by British capital should also engage the attention of the Imperial Government, especially in the case of Brazil. That

country has over 30,000,000 cattle, and is recognised as being one of the great beef exporting countries of the future. If it becomes a greater and cheaper source of beef supply than the Plate, and is left to foreign exploitation, the same position of British dependence on foreign companies may develop as is found in the Plate trade to-day. Wilson and Company (one of the American companies) and Vestey's (whose proprietors reside in Chicago) are already operating in Brazil, and Swift and Armour are building works, while only one British company is producing frozen meat, and that under disadvantageous circumstances. We strongly urge that the Imperial Government should encourage and, in case of need, assist British companies to build meat works in Brazil or other good cattle countries, subject to the same conditions of control of production and distribution as those suggested for the support of British companies in the Argentine.

Supply of Meat to Parts of the British Empire, other than the United Kingdom.

52. Australia and New Zealand have a growing trade with Canada in mutton and lamb, and they also export meat to Hong Kong, the Straits Settlements, Ceylon, Egypt, and Malta. It is obviously undesirable that this trade should be stopped in the interests of the United Kingdom, and we accordingly recommend that the Imperial Government should leave the terms and conditions on which any such trade should be carried on to be settled directly by the Governments concerned.

Trade between the Empire and Foreign Countries.

53. Before the war a small trade in meat was done by Australia with Italy, but the importation of meat into France from Australia and New Zealand was seriously hampered by a differential duty in favour of Argentine meat, by a *surcharge d'entrepôt* on re-exportations from the United Kingdom, and also by certain inspection regulations. There is also a small export to Manila and Honolulu. In our opinion it would be a mistake to attempt to reserve the meat produced within the Empire exclusively for the use of the Empire, even during the reconstruction period, with which our main recommendations deal. It is plain that if provision be not made for the development of Dominion trade with foreign countries during that period, the exporting Dominions would at its expiry be at a disadvantage in any endeavour they might then make to secure a share of the Continental and American trade after the Argentine, Brazil, &c. had been able to get a firm footing. This is a contingency of which account should clearly be taken beforehand, and it is particularly important in the case of mutton and lamb, since the productive power of Australia and New Zealand is likely soon to outrun the absorptive capacity of the United Kingdom. Even if the result should be that for a time the United Kingdom should be thrown more on to foreign countries for supplies—and this could only happen to a small extent—we think that in the allocation of meat supplies to France, Italy, and our other Allies it should be made a condition that a reasonable quantity should be drawn from British Dominions. As a very large proportion of the total supplies to be allotted would have to be transported from the countries of origin to the countries of importation in British ships, the Imperial and Overseas Governments will obviously be in a favourable position to make such arrangements in conducting the negotiations. What the proportion of supplies from British Dominions should be we are not in a position to determine; it can only be settled by negotiation between the several Allied Governments with the Imperial Government and the Dominion Governments. When the quantities have been settled, it might be advisable that they (like those referred to in paragraph 52) should be excluded from the purchases made by the Imperial Government from the Overseas Governments, and that the financial arrangements should be made directly between the latter and the Allied Governments concerned. The Imperial Government, however, will come in again in connection with the transport of the meat, since it will, for example, frequently be desirable that the same steamer from Australia or New Zealand should take a part cargo to Marseilles or Havre and a part cargo to London; all such details are susceptible of easy settlement. We would emphasise that it should be a condition of the arrangements set out above that all discriminations against meat from the British Empire, whether imported directly or indirectly, should be permanently removed. Incidentally the call of British insulated ships at continental ports with necessary supplies should afford an excellent means of securing return cargoes for British ships, and we suggest that foreign Governments should be approached with the object of their co-operating in this matter.

IV.—SUBSIDIARY QUESTIONS.

54. There are certain subsidiary questions which we consider important but not requiring elaboration, since their desirability is, to us, obvious.

Among these are—

- (a) The confining of Government and municipal contracts to the British Empire or to British firms operating in foreign countries.
- (b) The establishment of a satisfactory system of grading of meat in each of the exporting Dominions.
- (c) The establishment of a system of inspection in the producing countries which will be satisfactory to the importing countries, and of a uniform system of meat inspection in the United Kingdom.
- (d) The improvement of stock in the exporting countries by the importation of breeding animals of good quality, and the grant of facilities for the export of such stock from the United Kingdom.

V.—ADMINISTRATIVE MACHINERY.

55. The proposals sketched out above will, of course, involve new legislation, and will require complete co-operation between the Imperial Government and the Governments of the Oversea Dominions. Executive machinery will have to be set up both in the United Kingdom and in the Dominions, but with its details we do not here concern ourselves, except to recommend that the practical conduct of the work will require, especially in the United Kingdom, that part of the staff should consist of men with business training.

VI.—SUMMARY OF RECOMMENDATIONS.

56. In framing this Report, we have had in view an indefinite period following the war which may be called the "reconstruction period." We cannot forecast what the length of this period will be, and we can only urge that the course of events and the working of our proposals should be carefully watched, since after some time it may be practicable to substitute some more limited scheme of control even before it is possible to revert to normal conditions of trading. To conclude, we may summarise our recommendations as follows:—

1.—*Development of Sources of Supply.*

1. The acceptance by the Imperial Government of a veterinary examination of cattle for export from Canada at the port of shipment, so as to further the exportation of store cattle to the United Kingdom (paragraph 8).
2. The grant of priority for the supply of railway and other material and plant from the United Kingdom to the Dominions (paragraphs 9, 10 and 11).
3. The development of the Agricultural Departments of Nigeria and East Africa and the initiation of experiments in the crossing of native cattle and sheep with European breeds (paragraphs 12, 13 and 14).

2.—*Oversea Transport.*

1. The speedy completion of insulated steamers now under construction or on order, and the grant of priority during the first five years after the war for the construction of insulated steamers for British owners, sufficient to carry the imported meat required by the Empire and the Allies (paragraph 33 (a)).
2. The prohibition of the sale or transfer of British insulated ships to foreign control during the reconstruction period except with Government permission (paragraph 33 (b)).
3. The control of insulated ships by the Imperial and Dominion Governments, acting in concert in all matters affecting both the United Kingdom and the Oversea Dominions, during the reconstruction period, so as to ensure, where necessary, the determination of the cargo, of the movements of the ships, and of the rates of freight (paragraph 33 (c)).
4. The use of British insulated ships so as to give a priority to meat produced within the Empire, subject to the suitability of the ships for the service proposed and to the need for bringing to the United Kingdom a full supply of beef (paragraph 33 (d)).
5. When Government control terminates, shipowners should be forbidden to charge differential rates on refrigerated produce to large and small shippers at the same time for the same service; shipowners are also recommended then to fix rates from time to time in consultation with groups of shippers, with, where necessary, the friendly assistance of the Government concerned (paragraph 33 (e)).
6. The investigation by the Government of the Union of South Africa, in co-operation with the shipping lines, of the business problem of providing South Africa with a sufficient service of insulated ships (paragraph 34).

3.—*Supervision of Production and Distribution.*

(a) *Control by the Oversea Governments.*

1. The licensing of freezing works and cold stores, subject to the reservation where required, of part of their space for custom trade; to the approval by the Government concerned of the rates for killing, freezing, and storing; to the prohibition of special rebates; and to the furnishing of statistical returns (paragraph 39).
2. The licensing of meat exporting companies or firms and of buyers or agents for non-resident companies, subject to the furnishing of statistical returns, and to the withdrawal of the licences on proof that the holders have acquired or attempted to acquire a monopoly of purchase or sale (paragraph 39).
3. The acquisition or control by a Dominion or State Government of one or more meat-works, should occasion render that course desirable (paragraph 40).
4. The continuation, during the period of reconstruction, of the system of State purchase of the exportable surplus of meat which has been in existence in Australia and New Zealand, and its possible extension to other Dominions producing meat. The Oversea Government concerned should purchase the meat from the freezing works on behalf of the Imperial Government at prices returning to the producer a fair profit over cost (paragraph 42). After a period it might be possible to relax or abandon this control of trade (paragraph 43).

(b) *Government Control in the United Kingdom.*

1. The licensing of importers of meat; the control, where necessary, of the use of the cold stores; the obtaining of the necessary statistical returns; the provision of sufficient dock accommodation and of means of transporting meat to the market (paragraph 44).

2. During the reconstruction period the control by the Imperial Government of the distribution of the meat purchased from the Dominions. The meat should be distributed through the ordinary channels of trade, the "importing houses" and wholesale houses working subject to conditions laid down by the Government, and at fixed rates of remuneration. Wholesale prices should bear a proper relation to the prices of Plate meat, and any resulting profit should be divided between the Imperial Government and the sellers of meat in the Dominions. Supplies of meat may be refused to traders who exploit the consumer (paragraphs 46 and 47).

(c) *Control of South American Meat Supplies.*

The guarantee to purely British meat companies operating in the Plate of a fair return on their capital, the surplus above that rate and below a fixed maximum being shared equally between the companies and the Government. In return the companies would be required to terminate their engagements with the other meat companies and place themselves under the control of the Imperial Government, producing meat in quantities specified from time to time, and placing it on the market under specified conditions (paragraph 50).

(d) *British Development of new Countries.*

The encouragement and assistance of British companies to build meat-works in Brazil or other good cattle countries, subject to the conditions of control specified in the preceding paragraph (paragraph 51).

(e) *Supply of Meat to Parts of the Empire other than the United Kingdom.*

The supply of meat from the Dominions to parts of the Empire other than the United Kingdom should be settled by negotiation between the Governments concerned (paragraph 52).

(f) *Trade between the Empire and Foreign Countries.*

The allocation of meat supplies to the Allied countries should be settled by negotiation between those Governments and the Imperial and Dominion Governments. Conditions of this allocation should be the assurance to the Dominions of a reasonable share of the trade with the Allies during the reconstruction period, the permanent removal of all discriminations against meat from the British Empire, and the facilitation of return cargoes for British steamers (paragraph 53).

4.—*Subsidiary Questions (Paragraph 54).*

1. The confining of Government and municipal contracts to the British Empire or to British firms operating in foreign countries.

2. The establishment of a satisfactory system of grading of meat in each of the exporting Dominions.

3. The establishment of a system of inspection in the producing countries which will be satisfactory to the importing countries, and of a uniform system of inspection in the United Kingdom.

4. The improvement of stock in the exporting countries by the importation of breeding animals of good quality, and the grant of facilities for the export of such stock from the United Kingdom.

5.—*Administrative Machinery (Paragraph 55).*

Not only will new legislation be involved, but new executive machinery will have to be set up both in the United Kingdom and in the Oversea Dominions.

(Signed) A. SHIRLEY BENN,
Chairman.

HENRY W. MACROSTY,
Secretary.

BOARD OF TRADE,
26 March 1918.

VIII.

Enemy Debts.

MEMORANDUM PREPARED IN THE TREASURY.

[See discussion on pp. 90-93.]

On 13th November 1916, a Committee was appointed by the Treasury:

"To report on the arrangements to be adopted for the liquidation of the commercial, banking, and other financial transactions between British and enemy persons the completion of which was prevented by the outbreak of war, and for this purpose to consider the returns made to the Custodians of Enemy Property and to the Public Trustee and the Foreign Claims Office, and any information on matters relating thereto."

An interim report was made by the Committee on 4th April, 1917, which was circulated to the Dominions.

The Committee have now presented a further and final report, under date 23rd January, 1918, which, together with a secret memorandum dealing with the returns made in regard to debts and property, is now submitted for the consideration of the Imperial War Conference. Copies of these papers were sent to the Dominions on 14th May.

The subject, the importance of which need not be emphasised, involves a mass of very technical and complicated considerations. The Committee make comprehensive proposals for dealing with it, which are summarised on pages 29 and following* of the report.

The questions inquired into by the Committee have led them to make recommendations which may be stated briefly under two heads, namely:—

(a) A general settlement of pre-War debts by Government intervention by means of a clearing scheme. This recommendation, if adopted, will require legislation.

(b) Arrangements recommended in order to confirm, by legislation, action taken in this country and other parts of the British Empire, as the result of the War, or measures contemplated affecting the rights of enemies or the property of enemies. Such legislation will be required in any event, irrespective of the decision under head (a).

The outline of proposal (a) is that by agreement between the belligerent Governments embodied in the treaty of peace, an arrangement should be made for the settlement by the intervention of the Governments of all indebtedness arising out of commercial, banking, and financial transactions which were not completed owing to the outbreak of war.

The principle of such a scheme would be that each Government should be responsible for collecting the sums ascertained to be due from its own nationals, and would pay the sums ascertained to be due to its nationals, the balance being settled between Governments.

The official dealings between the Governments would be conducted by clearing offices to be established by each Government. One such clearing office should be created in each Dominion, in India, and in individual Colonies or groups of Colonies, as might be found expedient. These clearing offices should be at liberty to communicate direct with enemy clearing offices as regards the various amounts due, but there should be one central British clearing office, through which claims between the British Empire, on the one hand, and enemy Governments, on the other, should be settled.

It is further suggested that the scheme should apply to debts due or accruing due before the outbreak of war from a person coming within the scheme in one country to a person coming within the scheme in another, and to debts which have become due during the War as the result of transactions, &c., entered into before the War.

Each Government would assume the responsibility of paying over to the enemy Government the balance of indebtedness struck between the Governments (the British Empire being treated as a whole for this purpose) and would assume in its own country the responsibility of collecting debts due to enemies and paying debts due from enemies, and a commission would be charged on all payments made to

* pp. 321 et seq. of this volume.

persons claiming through the British clearing office to meet the working expenses of the scheme and losses caused by failure to collect debts for which the Government under the scheme had assumed responsibility.

The detailed recommendations as to the scope of the clearing scheme, *i.e.*, the persons, the territory, and the debts to which it shall apply, its organisation, the method of determining the validity or amount of debts, &c., &c., are all summarised on pages 29 to 35^c of the report, and hardly admit of further compression.

The questions referred to under head (b) are indicated in the statement annexed to this memorandum, and it is desirable that they should be examined as soon as possible with a view to legislative action being taken throughout the British Empire on uniform lines.

In submitting the report the Chairman of the Committee has pointed out that, if their recommendations appear to His Majesty's Government to be acceptable in principle, it will be necessary to consult the Governments of the Dominions and India, and of other parts of the Empire, as well as the Allied Governments. He added that the main question with which the report deals is one of much greater magnitude for the Allied countries even than for the Dominions, and suggested that, as its examination will necessarily occupy a considerable time, it would be desirable not to defer communication with the Allies until the discussion with the British Dominions has been completed.

The report, together with the secret memorandum on debts, has been already circulated to each of the Dominions, as well as to the Government of India, but His Majesty's Government have withheld its communication to Allied Governments until the Imperial War Conference has had an opportunity of expressing its views in regard to it.

The report, which has been approved in principle by His Majesty's Government, is now submitted for the consideration of the Conference.

It may well be that the representatives of the Dominions and India may not feel able to pledge their Governments to accept as regards all details the action proposed in the Committee's report, but, in the opinion of His Majesty's Government, it is very desirable to obtain at once such an expression of general concurrence in the terms of the report on the part of the Governments represented at the Conference as will enable His Majesty's Government to open discussion with the Allies.

The Conference will then be invited to express general approval of the report as a whole, and, in particular, to accept the principle that pre-War debts should be settled by means of a clearing scheme as outlined above, and to undertake that the necessary legislation shall be passed to give effect to it, and to provide for the matters—in regard to which legislation is required in any event—specified under head (b).

11th June 1918.

HEAD (b).

Questions on which recommendations have been made which will require legislative action in any event.

Sale of security.

Insurance contracts: recovery of premiums in arrear, and permissive legislation regarding payment of certain classes of claims or revival of policies.

Closure of contracts under the regulations of a recognised exchange or commercial association.

Contracts relating to patents, trade-marks, &c.—licences granted under War legislation.

Modification of the existing law to provide against the holder of enemy property restoring it to the owner after the War until released by Order in Council.

Similar legislation to cover property in British territory owned by enemy subjects residing in British territory.

^c pp. 321-327 of this volume.

ENEMY DEBTS COMMITTEE.

FURTHER REPORT OF THE COMMITTEE

APPOINTED TO CONSIDER THE ARRANGEMENTS TO BE ADOPTED FOR THE LIQUIDATION OF THE COMMERCIAL, BANKING AND OTHER FINANCIAL TRANSACTIONS BETWEEN BRITISH AND ENEMY PERSONS, THE COMPLETION OF WHICH WAS PREVENTED BY THE OUTBREAK OF WAR.

23rd January, 1918.

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APPOINTMENT OF COMMITTEE.

The Committee was appointed by the Treasury on 13th November 1916, to report on the arrangements to be adopted for the liquidation of the commercial, banking and other financial transactions between British and enemy persons, the completion of which was prevented by the outbreak of war, and for this purpose to consider the returns made to the Custodians of Enemy Property and to the Public Trustee and the Foreign Claims Office, and any information on matters relating thereto.

The Committee consisted of the following members, viz. :—

Sir H. BABINGTON SMITH, K.C.B., C.S.I. (*Chairman*).

The Right Hon. Sir DONALD MACLEAN, K.B.E., M.P.

Sir ALGERNON F. FIRTH, Bart.

Sir WILLIAM PLENDER, G.B.E.

Mr. C. J. B. HURST, C.B., K.C.

Sir BRIEN COKAYNE, K.B.E.

Mr. WALTER LEAF.

The Hon. M. M. MACNAGHTEN.

Mr. G. H. POWNALL.

Sir CHARLES J. STEWART, K.B.E.

Mr. J. J. WILLS.

Mr. M. F. LEVEY.

Mr. M. F. Levey, of the Board of Trade, was appointed on 2nd April 1917, vice Mr. J. J. Wills, who had been prevented by illness from attending meetings since January 1917.

A vacancy which occurred on the Committee, owing to the death of Mr. G. H. Pownall in December 1916, has not been filled.

ENEMY DEBTS COMMITTEE.

REPORT

TO THE LORDS COMMISSIONERS OF HIS MAJESTY'S TREASURY.

I.—INTRODUCTION.

1. The Committee has, since its appointment, held 61 meetings, and has taken evidence from 46 witnesses representing most of the important interests affected, such as the Banks, the Accepting Houses, the Stock Exchange, the Baltic, Lloyds', the Insurance Companies (Fire, Life and Marine), and trades such as coal, cotton, woollens, jute, sugar, oil, rubber and other kinds of produce. We have also had the assistance of representatives of the Government departments dealing with questions included in our reference; and on legal questions we have had the advantage of advice from Sir John A. Simon, Mr. R. A. Wright and Sir Mackenzie D. Chalmers.

Clearing Scheme for settlement of pre-war Debts.

2. In our Interim Report (dated April 4th, 1917) we made recommendations which were summarised as follows:—

- "(1) By agreement between the belligerent Governments, embodied in the Treaty of Peace, an arrangement should be made for the settlement by the intervention of the Governments of all indebtedness arising out of commercial, banking and financial transactions which were not completed owing to the outbreak of war. The principle of such a scheme would be that each Government should be responsible for collecting the sums ascertained to be due from its nationals, and would pay the sums ascertained to be due to its nationals, the balance being settled between Governments.
- "(2) The agreement should cover other matters, incidental to the settlement, on which at present we do not make detailed recommendations. All settlement of indebtedness otherwise than through the agency thus provided by the Governments should be prohibited.
- "(3) The existing prohibitions of payments to enemies and of the restoration of enemy property should be maintained until a satisfactory arrangement has been concluded, including adequate assurance, in the form of tangible security or otherwise, for its execution.
- "(4) The scheme to be adopted should apply to the British Empire as a whole, and should, if possible, be concerted with our Allies."

3. Our reasons for these recommendations were stated fully in our Interim Report, and need not be repeated here; but we may recall briefly that our principal grounds for recommending that all pre-war debts should be settled through Government intervention were (1) that there were serious objections to leaving creditors to recover their debts by recourse to the Courts in an enemy country; (2) that enemy debtors would be in a position to use the settlement of their debts as a means of bringing pressure on their creditors to resume commercial relations.

4. If our proposals appear to His Majesty's Government to be generally acceptable, we recommend that immediate steps should be taken to consult the Governments of the Dominions, of India, and of other parts of the Empire, with the object of obtaining their concurrence in the scheme. It will be desirable also, as soon as practicable, to enter into communication with the Allied Governments with a view to common action when the time arrives for peace negotiations.

In both cases, having regard to the complex nature of the questions, it may be better that discussion should take place by Conference rather than by correspondence.

5. We stated in our Interim Report that numerous questions arose as to the arrangements necessary for the Clearing Scheme, and in connection with pre-war indebtedness generally, which were still under our consideration.

We proceed now to make recommendations on these matters.

II.—SCOPE OF THE CLEARING SCHEME.

6. We consider first the extent and limits of the scheme as regards (i) the Persons, (ii) the Territory, (iii) the Debts to which it would apply. We use the term persons for convenience, as including not only individuals, but firms, partnerships, companies, corporations, and other legal personalities.

(i) *Persons to be included in the Scheme.*

British subjects.

7. The scheme would apply primarily to persons of British nationality resident or carrying on business in the British Empire. It would not be practicable to extend it to such persons outside the British Empire, because the British Government, which would be responsible for the collection of debts, directly or through the Government of the part of the Empire concerned, has no means of enforcing collection, if the debtor is not within any British jurisdiction. Moreover, the British Government has no means of requiring persons outside British jurisdiction to settle their debts and credits through the proposed Clearing Office or of preventing them from settling otherwise; nor has it the means of enforcing the conditions which may be agreed upon as regards interest, exchange, settlement of disputed amounts, &c.

8. It has been suggested that British subjects outside the British Empire might be given an option of coming within the scheme if they were willing to pay any debts due from them and to submit themselves to the conditions applying to British subjects within the Empire. This, however, does not appear to us to be practicable. Creditors would elect to come within the scheme, especially if the recovery of the debt was doubtful—thus obtaining a Government guarantee for the sums owed to them—while debtors would remain outside. Moreover, a British subject resident in a neutral country would not, by voluntary acceptance of certain conditions, be protected against legal proceedings, if these conditions did not make law in his country of residence, nor would it be possible to employ the machinery of the Courts of the neutral country to enforce these conditions.

9. A special case arises where a British subject, resident or carrying on business in a place which is not British territory, is amenable, in his relations with enemy subjects, not to the law of the country of residence, but to ex-territorial law administered by British Consular or other special Courts—as, for instance, in China. Such persons may be included in the scheme.

Subjects of Allied Countries.

10. The reasons which prevent the inclusion in the scheme of a British subject outside British territory operate in favour of the inclusion of an Allied subject resident or carrying on business in British territory. He could not, for the same reasons as those applying to the British subject abroad, be included in the scheme in his own country. He would, on the other hand, be amenable to British law as regards the collection of a debt owed by him and the conditions to be applied for fixing its amount, and he could therefore be included in the scheme in this country; just as a British subject in an allied country, such as France, could be included in the scheme in that country. Similar considerations apply to a firm domiciled or company registered in an allied country, and doing business in this country.

11. We recognise, however, that this arrangement might not be acceptable to our Allies. France, for instance, is inclined to regard a French subject, wherever resident, as dependent upon the French Government, and not upon any other, and might not concur in a scheme which for this purpose would make him, if resident in the United Kingdom, dependent upon the British Government.

The two views might be combined by arranging that a French subject in British territory should be included in the French Clearing Scheme, but that the British Clearing Office should act as the agent of the French Clearing Office for the recovery and payment of debts due from or to him, and *vice versa*, with a similar arrangement, if desired, in the case of other Allied countries.

Subjects of Neutral Countries.

12. A subject of a neutral country resident or carrying on business in British territory may have had opportunity, during the war, of recovering debts due to him from persons in an enemy country, but it has been illegal for him to make any

payment or remittance to an enemy country. He would, unless specially excepted, be subject to any legislation passed in this country as to the rules or methods to be applied in determining the amounts of debts. It would be possible, therefore, to include in the scheme neutrals resident in British territory; but it is evident that the reasons for setting up a clearing system do not apply in the case of a neutral with the same force as in the case of a British or Allied subject. We therefore recommend that neutrals should not be included.

Enemy Subjects.

13. Enemy subjects in British territory, and also any business in respect of which an order has been made under section 1 of the Trading with the Enemy Amendment Act, 1916, as being of enemy nationality or associations, or which has been the subject of corresponding treatment elsewhere in the Empire, would naturally be excluded (except as indicated in paragraph 21 in relation to sums which have passed into the hands of the custodians).

Persons in Enemy Countries to be included in the Scheme.

14. On the enemy side the definition of the persons to be included would be similar to that to be adopted in this country. In the case of Germany, for instance, the scheme would apply primarily to German subjects in German territory. It might apply also, if it were so decided, to Austrian, Bulgarian and Ottoman subjects in Germany. It would not include German subjects in neutral territory, or British or neutral subjects in German territory.

(ii) Territory to be included in the Scheme.

15. We have already expressed the opinion that the British Empire should take part in the scheme as a single whole. It is desirable, if possible, that all the allied countries should take part in it, not jointly but severally. If any of them abstain, that need not prevent the adoption of the scheme by the others; it might even be applied as between the British Empire and Germany alone.

16. On the enemy side, the scheme should apply to the enemy countries severally; but there may be difficulty in applying it as it stands to Turkey, especially if the Ottoman Government is responsible for carrying it out. Some of the difficulties arising in Turkey would be removed if the execution of the scheme were placed in the hands of a body such as the Council of Administration of the Ottoman Public Debt. The question of the application of the scheme to Turkey may, however, be entirely modified in consequence of the terms of Peace.

17. British Protectorates generally should be included as forming part of the British Empire; but the case of Egypt presents special difficulties. The collection of debts is well known to be slow and uncertain there, owing partly to the character of the traders, and partly to the legal system; and collusive claims would be difficult to detect. There may therefore be serious objection to the Government taking responsibility for the collection of debts. Questions of nationality are complicated owing to the former connection of Egypt with Turkey and the existence of a system of capitulations, under which many persons resident in Egypt have come under the protection of different European countries.

We therefore recommend, subject to the views of the authorities in Egypt, that that country should not be included in the scheme. But as British subjects there are under ex-territorial jurisdiction, our recommendation in paragraph 9 would apply to them. In the case of sums due to enemies which are in the hands of the Custodian in Egypt, the recommendation of paragraph 21 would apply.

The case of Cyprus presents peculiar features and should be considered specially.

Occupied Territory.

18. Occupied territory which is not annexed or transferred or made independent at the end of the war, will presumably be restored to its former status. As the scheme contemplates action to be taken and responsibilities to be assumed after the restoration of peace, and not before, occupied territory should, for the purposes of the scheme, be regarded as having its proper attribution. For instance, French persons in French territory now occupied by Germany would come into the scheme as French.

Transferred Territory.

19. If at the end of the war territory is annexed or transferred from one country to another, or made independent, the problems arising are complicated, and we recommend that such territory should be excluded from the scheme altogether, individuals being left to pay and recover their debts without Government intervention.

(iii) Debts to be included in the Scheme.

20. The debts coming within the scope of the scheme will be, primarily, debts due or accruing due before the outbreak of war from a person coming within the scheme in the one country to a person coming within the scheme in the other.

The scheme will also include debts which have become due during the war as the result or sequel of transactions or contracts entered into before the war. For instance, if goods held on consignment by an enemy have been sold, a debt to the owner of the goods will have been created. Leases of real property and mortgages have not, we believe, been dissolved by the war, and instalments of rent and interest will have fallen due during the war. Payments will also have become due during the war in respect of coupons on Government and other securities, matured bonds, dividends, &c. All these would be included in the clearing scheme.

How far such debts can have arisen during the war out of pre-war contracts, depends upon the effect upon such contracts of the existing law, and of any modifications of the existing law which may be effected as the result of a settlement arrived at in the treaty of peace or otherwise. We deal with this question under the heading of *Contracts* (paragraphs 69-118).

Debts owing by Governments.

21. Sums are in many cases due from Governments to enemy persons in respect of pre-war debts for goods supplied, services, &c. These may conveniently be included in the scheme.

There will also be many claims against Governments in respect of matters of a quasi-contractual nature which have arisen during the war, as requisitions, sequestrations, &c. These probably cannot be included in the scheme for the purpose of determining amounts due; but when the amount has been ascertained, the clearing system should be employed for the actual settlement. The same will apply to sums which have passed into the hands of the custodians, for account of enemies, such as the proceeds of the liquidation of businesses or of vested enemy property, and interest and dividends paid to the Custodians.

Claims against Governments in respect of wrongful acts are of an entirely different character, and are outside the scope of the scheme.

Doubtful Debts.

22. We have recommended that each Government should take responsibility for collecting the sums ascertained to be due from its own nationals and from other persons, if any, resident in its territory who are included in the scheme:—that is to say that the Government should collect these sums, and, if it is unable to collect them, should make good the amount.

It is necessary to consider whether this responsibility should extend to debts which were doubtful before the war, or whether such debts should be excluded.

After careful consideration we have come to the conclusion that it is impracticable to draw a distinction, for the present purpose, between good and doubtful debts.

It has been suggested that a Committee of competent persons in each trade would be able readily to discriminate between debts which were good at the outbreak of war, and debts which were doubtful. Debts, however, are of all degrees in the scale of goodness or badness, and it would be very difficult to draw a line at a particular point.

It has also been suggested that a time limit might be imposed, and that all debts which had, at the outbreak of hostilities, been due for more than a specified period, say six months or a year, should be regarded as doubtful, and excluded from the Government's guarantee of collection. Such a fixed limit would operate very

unequally, since the custom of different trades varies greatly. Moreover the reasons which have led us to recommend a system of settlement through the Governments, apply with particular force in the case of doubtful debts, since it is precisely in those cases that recourse to the enemy courts would probably be required, and that the prospect of payment would be a powerful inducement to the creditor to conform to the debtor's wishes.

The adoption of this principle may in some instances lead to anomalous results; but we believe that the cases for its application in this country will be few and unimportant.

23. We recommend, therefore, that the responsibility of the Governments should extend to all debts of the classes we have indicated, where there had not been any formal indication of insolvency* of the debtor before the war, and where the debt had not at the outbreak of war been barred by a statute of limitations or a period of prescription.

Debts which are due from a person who had given a formal indication of insolvency before the war would therefore be excluded from the Government guarantee of collection, but would nevertheless be included in the scheme for the purpose of collecting and paying to the creditor such dividend or other payment as might be recoverable from the debtor or his estate.

III.—ORGANISATION OF THE CLEARING SCHEME.

(i) OPERATIONS AFTER THE WAR.

24. We proceed now to consider the nature of the organisation required for carrying out the scheme which we propose.

In order to simplify our description we deal first with the case of the United Kingdom in relation with one of the enemy countries (say Germany).

An office would be created in London under a Controller appointed by the Government, and a similar office in Germany. We call these the *Clearing Offices*. It is important that the Controller and his staff should be accustomed to business methods and practices.

Debts Due by German Debtors to British Creditors.

25. A person in the United Kingdom coming within the scheme, to whom a debt is owed by a person in Germany coming within the scheme, will furnish a statement of his claim, in such form and with such particulars as may be prescribed, to the British Clearing Office. He may, if he prefers, communicate first with his German debtor, in order that, if there is agreement as to the exact amount of the debt, the debtor may certify his concurrence upon the statement of claim.

If, *prima facie*, the claim comes within the scheme, the British Clearing Office will communicate it to the German Office. If the debtor has not already certified his concurrence, the German Clearing Office will present the claim to him, and he will either admit it, or dispute it in whole or in part. If the debtor has disappeared, without leaving legal representatives, the German Office must decide, upon the evidence, whether to admit the claim or dispute it. The German Office must also consider at this stage whether the claim is one which falls within the scheme; and, in cases where there is any doubt as to the solvency of the debtor, whether there is ground for suspecting collusion between creditor and debtor.

A reply will then be sent to the British Clearing Office, either (a) that the claim is admitted, or (b) that it is disputed in whole or in part, and, if so, whether by the debtor or the Clearing Office, and on what grounds.

Admitted Debts.

26. In the case of debts admitted in whole or in part, the German Office will proceed to collect the amount due from the German debtor; but, as each Government takes responsibility for the debts ascertained to be due, the British Office will at once be credited by the German Office with any amount admitted to be due, whether the whole or part of the claim, with interest, regardless of any delay or failure in obtaining payment from the debtor.

* In order to avoid uncertainty in administration it would be necessary to define for each country the circumstances which would be held to constitute a "formal indication of insolvency." For instance, in England and Wales the circumstances would include (1) a receiving order in bankruptcy; (2) the execution of a deed of arrangement; (3) in the case of a company the appointment of a receiver, an order for liquidation or the adoption of a resolution for voluntary liquidation.

Disputed Debts.

27. If the whole or part of a claim is disputed by the debtor, the two Clearing Offices will endeavour to bring about a settlement by examining the merits of the question jointly, and in communication with the parties, and by recommending to the parties any decision or compromise upon which the Clearing Offices agree. For the purpose of this examination, which will usually take place in the country of the debtor, each Clearing Office will depute standing representatives to the opposite Clearing Office.

If the settlement recommended by the Clearing Offices is accepted by the parties, the amount so settled will be dealt with as an admitted debt, and will be credited at once by the German to the British Clearing Office.

28. Similarly, if a claim is disputed by the Clearing Office on the ground—

- (a) that it does not fall within the scheme;
- (b) that there is collusion between debtor and creditor;
- (c) that the debtor cannot be found, and that there is no sufficient evidence to support the claim;

or on any other ground, the question will be examined jointly by the two Clearing Offices, with the object of arriving at an agreement.

Debts due by British Debtors to German Creditors.

29. The procedure in the case of claims made by creditors in Germany will be the same as that described above, the *roles* of the Clearing Offices being reversed.

As soon as the amount of a debt is admitted or settled, the British Clearing Office will proceed to collect it from the debtor. For this purpose it may be necessary to take legal proceedings, and powers for enforcing payment through the Courts must be conferred on the British Clearing Office by legislation.

Appeal Tribunal.

30. We anticipate that in a large proportion of cases there will be agreement between debtor and creditor as to the amount of the debt, and that where there is a difference between them, the Clearing Offices will frequently be able to bring about a settlement. But a certain number of differences between creditor and debtor, or between the two Clearing Offices, will remain unsettled. We propose that all such cases should be referred to an *Appeal Tribunal*, a joint body, with a president who must be accepted by both sides as impartial, but who need not necessarily be of neutral nationality. If the pressure of business requires more than one court, the Tribunal should have power to sit in divisions. The decision of this Tribunal should be final.

31. All the documents in the possession of the Clearing Offices will be laid before the Tribunal, and debtor and creditor will be entitled to present their cases personally or by agents. In order to facilitate the choice of an agent, the British Clearing Office will designate a certain number of qualified persons amongst whom a British creditor or debtor may make a selection. If it is desired to employ an agent outside this list, the approval of the Clearing Office should be necessary, in order that unsuitable agents may be excluded, but approval should not be withheld except for good reasons. The Clearing Offices will themselves present their cases where the question to be decided is one between the Clearing Offices. They will also be represented, and will give their assistance to the Tribunal, in other cases. In order to save expense, and facilitate the proceedings, a sufficient portion of the staff of the Clearing Offices and the members of the Tribunal should, as far as possible, have a knowledge of the languages of both countries, so as to avoid the necessity for translating all documents.

When the amount due has been determined by the Appeal Tribunal, it will be dealt with by the Clearing Offices as in the case of an admitted claim.

32. If it is decided by the Clearing Offices, or by the Appeal Tribunal, that a claim is outside the scheme, the creditor would then be at liberty to prosecute the claim in the Courts, or to resort to any other remedy that may be open to him.

There may also be cases falling within the scheme which raise points requiring a judicial decision. The creditor should therefore have the option of prosecuting his claim in the Courts, instead of going before the Appeal Tribunal; and, in appropriate cases, the Clearing Offices may advise him to take that course. The sum finally decided by the Courts to be recoverable will be treated by the Clearing Offices in the same manner as an admitted debt.

In other cases, especially where questions of a technical character arise, arbitration may be the best method for deciding upon a claim, and when both parties agree upon that procedure, the Clearing Offices should accept the arbitral decision as determining the amount of the debt.

Payment to the Creditor.

33. As soon as a Clearing Office has been credited by the opposite Clearing Office with a sum due to a creditor, it will pay the creditor that sum with the interest,* after deducting the commission and any fees that may be due (*see* paragraph 36 below). The balance in the current account between the two Clearing Offices will bear interest at 5 per cent. per annum, and payments will be made to balance the account, either at fixed periods or whenever the balance exceeds a determined amount, as may be agreed.

Other Parts of the British Empire.

34. The machinery which we have described would only require extension in order to cover the whole of the British Empire. The Government of each part of the Empire would be responsible to the British Government for the collection of sums due from persons in the territory under its control; but, as regards the settlement with the enemy Government, the Imperial Government would alone be concerned. A Clearing Office would be created in each Dominion and in India, and in individual Colonies, or groups of Colonies, as might be found expedient. These local Clearing Offices should be at liberty to communicate direct with the enemy Clearing Offices as regards the admission or determination of the amounts due; but the central British Clearing Office should be kept informed of their proceedings and should be notified of all claims when admitted or determined. The actual settlement as between Governments would take place through the central British Clearing Office. The joint Appeal Tribunal, to which final reference takes place in disputed cases, should be common to the British Empire.

Current accounts would be kept between the central Clearing Office and the local Clearing Offices. These would carry interest at the rate of 5 per cent. per annum and would be balanced from time to time by remittances as in the case of a current account with an enemy Clearing Office (*see* paragraph 33).

Other Countries.

35. Similar machinery would be required in each of the Allied and Enemy Countries which adhered to the scheme. The same central British Clearing Office would deal with the Clearing Office in each enemy country.

The arrangements for the Appeal Tribunal or Tribunals must depend upon the number of countries participating in the scheme. Where British claims are concerned, the arrangements should be such that half the Tribunal (excluding the President) will consist of British representatives or nominees.

Expenses of the Scheme.

36. Funds will have to be provided for meeting (1) the working expenses of the scheme, (2) losses caused by failure to collect debts for which, under the scheme, the Government is responsible. It is not equitable that these charges should fall upon the taxpayer. We therefore propose that a commission should be charged on all payments made to persons claiming through the British Clearing Office, to cover the above-mentioned expenses. So far as the information available enables us to judge, we think that a commission of 2½ per cent. would probably be sufficient for these purposes.

As the proportion between receipts and payments will vary greatly in different parts of the Empire, the fund created by means of this commission should be common to the British Empire and should be allotted on agreed principles.

It has been objected that a uniform commission in respect of insurance would be inequitable, since the proportion of debts which become bad varies greatly in different businesses, and the scale of profit is adjusted accordingly. We think, however, that a varying scale of commission would present insuperable difficulties. If the rate is as moderate as we suggest, no one should object to pay it in return for the guarantee which the scheme provides for the recovery of the pre-war debts due to him.

* *See* paragraphs 42-53 of this Report.

Where reference is made to the Appeal Tribunal a further fee should be charged on a scale to be laid down, to be paid by the loser, or as awarded by the Tribunal. The Tribunal should also have power to award a sum in respect of expenses, to be paid by one party to the other.

Penalties for Delay.

37. It is desirable to discourage dilatory tactics on the part of the debtor, and excessive claims on the part of the creditor, and to make it to the interest of both to come to a settlement as soon as possible.

With this object we propose that any claim which has not been admitted by the debtor should carry a penalty, to be paid to the Clearing Office in the country of the successful party, at the rate of 5 per cent. per annum, commencing at a fixed period after the communication of the claim to the Clearing Office of the debtor's country and running to the date at which the amount of the claim is settled. If part of the claim is admitted, the penalty will run only on the unadmitted portion. The penalty will be paid by the debtor if the claim is established, and by the creditor if it is not established, and will be retained by the Clearing Office in the country of the successful party. If an intermediate amount is awarded or agreed, then the penalty would be paid proportionately by both parties.

(ii) STEPS TO BE TAKEN DURING THE WAR.

38. It has been suggested that the working of the Clearing Scheme would be facilitated if steps were taken at once in the British Empire for collecting the debts due to enemies. In order that the sums so collected might not be withdrawn from trade use, the suggestion contemplates that the funds so collected should be employed in advancing to British creditors a part of their claims on enemy debtors.

39. In our preliminary Report we recommended that such collection should be made; but on further consideration the obstacles to such a course appear to us to be insuperable:—

- (a) It is impossible in many cases to say whether a debt exists or not. For instance, the whole question of debts arising on Contracts of Insurance is full of uncertainties, which can only be determined by agreement between the countries, probably accompanied by legislation, or else by decisions of the Courts.
- (b) Even where the existence of a debt is certain, it will in many cases be impossible to ascertain its amount. The debtor's statement cannot be accepted as final without communication with the creditor, since, quite apart from any question of bad faith, the debtor may not know the true amount of the debt, even approximately. Moreover, there are many points having an important bearing on the amount of the debt, which can only be settled by agreement between the countries concerned. Such points are interest, rate of exchange, closure of current contracts, and other matters dealt with in other parts of this Report.
- (c) In collecting debts it would, we presume, be necessary to allow a set-off in cases where the British debtor has claims on persons in the enemy country. The verification of the existence of a valid claim and of its amount will be even more difficult in such cases—as, for instance, in the case of claims for the value of goods or property requisitioned or sold.
- (d) We have pointed out that the scope of the Clearing Scheme, as regards the persons and the debts to be included in it, must be a matter of agreement. Until such agreement has been reached there would be difficulty in fixing the limits, in these respects, of any preparatory collection of debts.
- (e) Legislation would be required, vesting the debts in the Custodian. Such legislation would certainly meet with objection on the part of trade interests, unless collection from debtors were accompanied by distribution to creditors. As we have pointed out, the difficulties of verification apply in this case also, and we may add that the application of A's money to satisfy B's debts is undoubtedly confiscatory, unless it forms part of an agreed system of settlement. This last objection would not apply to a system of advances; but we see many difficulties in carrying out such a proposal.

(f) Even if the above difficulties were overcome, it might be found in the end that no agreement for a Clearing Scheme could be reached, and in that case the preparatory collection of debts, made with a view to such a scheme, might lead to confusion.

40. Our conclusion is that no steps should be taken during the war for the general collection of debts due to enemies, or for a distribution to creditors, either by way of provisional payment or as advances. We have satisfied ourselves that there is little demand at present on the part of trade interests for such a scheme.

Persons owing money to enemies should be at liberty to pay their debts to the Custodians, if they so desire. The debts would, of course, be subject to revision as to amount in the manner suggested above (pars. 27, 30, and 31), and if our recommendation as to interest is adopted, there might be a claim in that respect; but the payer would not be subject to any claim for interest on the amount paid, for any period subsequent to the date of payment.

(iii) LEGISLATION.

41. If a Clearing Scheme is adopted, legislation will be necessary in order to carry it out, as well as to give effect, in the various countries, to agreements which may be concluded on the various points dealt with in the later sections of this Report. The form of this legislation will require careful consideration; but it is premature to examine this question in detail until the principle has been accepted, and the form and scope of the scheme defined.

IV.—QUESTIONS AFFECTING THE VALIDITY OR AMOUNT OF DEBTS.

(i) INTEREST.

42. There will be uncertainty as to whether debts which have remained outstanding during the war bear interest. In some cases the debt was interest-bearing by agreement or custom, but it will not necessarily be clear whether the conditions applying before the war continue during the war. It is important to remove the uncertainty and to secure uniformity, if possible, in all the countries concerned.

In this country there has been no legislation on the subject; and the only judicial decisions bearing on the point of which we are aware are those of Mr. Justice Younger in *re Fried Krupp Aktien-gesellschaft*.* In the earlier of these cases property of the enemy debtor had been vested under the Trading with the Enemy Amendment Act, 1914, and certain creditors claimed payment of interest in addition to the capital of their debts. The judge decided that no interest should be paid except in one instance, where by contract the debt carried interest.

43. In Germany it appears that the ordinary law is that "where a claim arises under a mercantile transaction between mercantile traders, interest at the rate of 5 per cent. per annum is payable from the date of maturity, even in the absence of any agreement to that effect."

The Decree of September 30th, 1914, which prohibited payment to persons in the British Empire, suspended until further order all debts due or becoming due to persons in the British Empire, as from July 31st, 1914, or from the due date, if later than that, and laid down (Art. 2) that no interest could be claimed in respect of the period of suspension. This was modified by Decree of the Bundesrat of April 19th, 1917, which gives power to the Imperial Chancellor to appoint a "Trustee for Enemy Property." In section 7 of this Decree it is provided that debts which would have been payable if they had not been suspended under the Decree of September 30th, 1914, shall bear simple interest from April 1st, 1917, at the current rate for deferred payment (*in Höhe des für Verzugszinsen geltenden Satzes*), subject to special decisions and exceptions made by the Imperial Chancellor. Such interest is to be paid to the Trustee for Enemy Property in all cases, including those in which the claim has not been placed under the administration of the Trustee.

We have no information as to the position regarding interest in the other Enemy Countries.

44. Where, by contract or custom, the debt was interest-bearing and the rate was determined and payment has been deferred owing to the war, we see no good reason why it should not continue to bear the same interest during the period of deferment.

Where the debt was not interest-bearing the question is open to some doubt. The debtor will contend that he was able and willing to settle his debt at the time when it fell due, and was only prevented from doing so by the prohibition of payments to enemies, and that interest cannot equitably be charged on money which he continued to hold through no desire of his own. On the other hand, the debtor has had the use of the money, and it has been particularly "good money," since it was known that the creditor would not be able to require payment till after the war, while the creditor may have had to supply the place of the resources to which he was entitled by borrowing, probably at a high rate of interest. These latter considerations are, in our view, the more convincing, since it appears to us inequitable that debtors should profit and creditors be penalised by the postponement of payment.

Recommendation.

45. We therefore recommend that it should be our policy to secure an agreement that all debts, the payment of which has been suspended owing to the war, should bear simple interest at the rate of 5 per cent. per annum, from the beginning of the war, or from the date at which the debt fell due (if later than the beginning of the war), except in cases where by contract, or by law, or by custom having the force of law, the debt bore interest at some other rate. In these latter cases the conditions applicable by contract, law or custom should continue to have effect during the suspension of payment.

The interest to be collected from the debtor should be reckoned to the date of his payment of the debt; while the interest payable to the creditor should be reckoned to the date at which the Clearing Office of the creditor's country is credited with the amount.

46. We have considered whether this rule should apply in the case of sums due to an enemy by way of dividends, interest and share of profits, and other periodical payments of a similar character.

In the United Kingdom any company, firm or person carrying on business, has, since 27th November, 1914, been required to pay all such sums to the Custodian (Trading with the Enemy Amendment Act, 1914, section 2). A similar provision has applied to Government, Municipal and other securities since 29th July, 1915 (Trading with the Enemy Amendment Act, 1915, section 1 (i)). In the case of loans not made for the purposes of a business, the sums due have been left in the hands of the debtor. In the enemy countries, we believe that such sums have, generally speaking, remained in the hands of the debtor, at any rate in the earlier years of the war.

47. The general considerations which we have stated above apply to these sums, no less than to capital sums, and it may be regarded as illogical as well as inconvenient to discriminate between debts according to the nature of their origin.

But, on the other hand, it is the general rule in normal circumstances to allow no interest on dividends which have remained unclaimed, and in many cases the Articles of Association of Companies prohibit the payment of such interest. It will be remembered that, where interest is to be paid, we have proposed that it should be simple interest, and it is in accord with the principle of this recommendation that sums which are themselves of the nature of interest should not bear interest. We are, therefore, on the whole, of opinion that the rule regarding interest should not apply to sums payable by way of dividends, interest or share of profits, whether by a company, firm or person, or by a public authority, nor to other periodical payments of a similar character, such as rent.

A decision in this sense will have the advantage of avoiding the calculation and recovery of very small amounts of interests, in a very large number of cases, where a few days may have intervened between the due date and the date of payment of a coupon or dividend to the Custodian. It will also avoid serious practical difficulties which would arise in relation to coupons on bearer securities.

* 1916, 2 Ch. 194; 1917, 2 Ch. 188.

48. We have considered whether a middle course might be adopted by providing that the sums in question should begin to bear interest as soon as they have been paid to the Custodian, or to an agent for the enemy payee. The objection to such a rule is that it would operate unduly to the advantage of those countries which have not required these sums to be paid to a Custodian, but have allowed them to remain in the hands of the debtor, and for this reason we are unable to recommend its adoption, unless it could be brought into a form which would, in practice, be fair to both parties.

49. Our recommendations on the subject of interest do not form a vital part of our scheme; and if it is found, on discussion with our Allies, or in negotiation with the enemy, that in their present form they present insuperable difficulties, they might be varied, either generally or by special agreements with particular countries.

Special case of the Accepting Houses.

50. So far as concerns Trade Debts in general the recovery of interest is not a matter of primary importance. Several trade witnesses informed us that if they were assured of receiving the capital of their debt they would not regard it as a serious injury if they were required to relinquish their claim to interest. The matter is, however, a more serious one as affecting the Accepting Houses. Under the arrangement of August, 1914, between the Government and the Bank of England, Acceptors of Bills were provided by the Bank of England with funds for meeting them. These advances, which were rendered necessary by the absence of remittances from clients, were very large in amount, and bear interest at 2 per cent. above bank rate. Where the client is an enemy, payment cannot be enforced by the Acceptor till after the war. In the meantime the interest-charges incurred have already amounted to about a quarter of the original debt and will continue to accumulate.

51. The representatives of the Accepting Houses who appeared before us claimed that they should have the right to recover from their enemy clients the whole of the interest which they have paid to the Bank of England in respect of the advances. We do not express any opinion on the legal rights, which, we understand, are *sub judice*, but if the law does not recognise their full claim, and if a uniform rate of interest is fixed for debts in general, we are unable to recommend exceptional treatment in this particular case.

52. The high rate of interest paid by the Accepting Houses on the advances from the Bank of England was, we understand, intended to provide the Government (which took the responsibility for the operation) with a margin for insurance against losses. If the scheme which we recommend is carried out, the Accepting Houses would be assured of payment in full from their enemy debtors and consequently the probability of loss to the Government in respect of the advances would be very small. The Accepting Houses would, however, have paid a double insurance, first under the advances scheme, and secondly under the Clearing Scheme; and we suggest that if the law does not recognise their full claim the Government should consider the equity of making some refund to the Accepting Houses, in respect of sums paid in excess of a reasonable rate of interest.

If no general measure is adopted requiring the payment of interest on outstanding debts, then we think that the case of the acceptances should be specially dealt with, and that every effort should be made to obtain an agreement for the payment of interest on these debts at a suitable rate.

53. The Accepting Houses also made a claim to charge their clients commission on the same terms as those applying to the original acceptance of the bill, during the whole period for which the debt is outstanding. This is a matter which may be left to be settled between the Accepting House and the client, or by the ordinary law.

(ii) EXCHANGE.

54. A question arises as to the rate of exchange which should be applied in the settlement of pre-war indebtedness.

There is in most cases no doubt as to the currency in which a debt is payable; and it may be argued that there is no justification for requiring a debtor to pay or a creditor to receive anything else than that which he contracted to pay or to receive.

This argument, however, ignores essential facts. We take the case of Germany first, since the sums involved are much greater than in the case of the other enemy countries. Germany before the war had a gold standard. The silver mark was not legal tender for amounts exceeding 20 marks. The only forms of currency which were legal tender to unlimited amounts were gold coin and notes of the Reichsbank. The law of 1909, which made these notes legal tender, imposed upon the Reichsbank the obligation of converting them into gold on demand. The exchange between the United Kingdom and Germany was therefore on a gold basis, and the fluctuations were confined within the very narrow limits set by the "gold point" on either side of the gold parity (marks 20.43=£1). The war has completely changed this. By a law passed on August 4, 1914, Reichskassenscheine (Treasury Notes) were made legal tender, and both the Reichsbank and the Treasury were relieved from the obligation of redeeming their respective notes in gold. The result of this measure, combined with the conditions brought about by the war, is that for exchange purposes the mark now possesses considerably less than its former value. Strenuous attempts will no doubt be made after the war to restore the value of the mark, and to bring the exchange back to parity. Some competent observers believe that by a free use of the German gold reserves this will be possible within a short period, but others hold that it will be a task of great difficulty and may take a considerable time.

In the meantime, so long as the mark is depreciated, the British creditor who receives payment of a debt in marks will suffer loss. The mark which he contracted to receive was a gold mark, or a paper mark which was convertible into gold. Legislation passed during the war has entirely altered the character of the paper mark. It is unjust that he should be compelled to receive payment in paper marks which, through the action of the German legislature, are no longer convertible into gold, and are consequently seriously depreciated in value.

Recommendation.

55. It appears to us that the only equitable course is to lay down that pre-war debts payable in marks must be paid in gold marks, or in their equivalent for exchange purposes. This would carry with it the obligation for the British debtor who owes a debt payable in marks to pay in gold marks or their equivalent. Debts payable in sterling would similarly be payable in gold coin or its equivalent. In fact all settlement of indebtedness between the two countries should be upon a gold basis.

The same principle should be applied to settlements with the other enemy countries. We have little information as to the legislative or administrative steps which have been taken there; but there is no doubt that in Austria and Turkey they have produced an inconvertible and heavily depreciated paper currency.

The proposal to settle pre-war debts on a gold basis will probably be opposed by the enemy Governments, but we recommend that we should insist upon it, if we are in a position to do so.

56. The debtor who owes a debt expressed in a currency which is depreciated may object that he will be deprived of the advantage of paying in that currency; but he will lose only an unexpected and unearned profit, and will be no worse off, as regards the amount in gold that he will pay, than he was before the war.

It is also necessary to point out that there will be a strong tendency for a creditor who receives payment in a depreciated currency to leave his money in the country where it is due in the hope that, sooner or later, he may be able to remit it at a more favourable rate of exchange. Such action might place at the disposal of our enemies during the period of reconstruction, capital which could be employed, with more advantage to us, in the British Empire.

57. An agreement as to settlement on a gold basis should not apply retrospectively to debts which have been settled voluntarily during the war. There are, however, cases in which the assets of an enemy debtor have been vested under the Trading with the Enemy Acts, and the Court, when ordering payments to be made to creditors, has fixed provisionally a rate of exchange based on the rate prevailing at the time between the enemy country and neutral countries. In such cases an adjustment should be made so as to apply the rate agreed for post-war settlement.

(iii) NEGOTIABLE INSTRUMENTS.

58. The war interrupted the normal course of procedure with regard to negotiable instruments, such as bills of exchange. There is in some cases uncertainty as to the legal position, and there are also differences in the law in force in the different countries concerned. The volume of the outstanding transactions effected by bills of exchange is so large that it is of special importance to secure certainty and uniformity with regard to them.

(a) *Validity after the War.*

59. By English law, a bill of exchange or other negotiable instrument made before the war between persons who become "enemies" is not cancelled by the outbreak of war. It is unenforceable by an alien enemy during the war, but the remedy revives on the conclusion of peace. This is probably the law in other countries too; but if there are any doubts it is desirable that they should be removed by agreement and where necessary by legislation.

(b) *Non-presentment, &c.*

60. In many cases the war has rendered illegal or impossible the performance of formalities required by the law in order to maintain the obligations of the various parties to a bill of exchange. Such are:—

Presentment of a bill for acceptance.

Presentment of a bill for payment.

Notice to drawer and indorsers of dishonour by non-acceptance or by non-payment.

Protest for non-acceptance or non-payment.

61. Under the Bills of Exchange Act, 1882, delay in Presentment, Notice, or Protest is excused if it is caused by circumstances beyond the control of the holder and not imputable to his default, misconduct or negligence. When the cause of delay ceases to operate the omission must be supplied with reasonable diligence.

This provision was supplemented by Section (1) of the Bills of Exchange Act, 1914, which provides that "delay in the presentment for payment of a bill of exchange, where the proper place of payment is outside the British Islands, is excused, if the delay is, or has been, due either directly or indirectly to circumstances arising out of the present war, or to the impracticability owing to similar circumstances of transmitting the bill to the place of payment with reasonable safety." This provision appears to interpret rather than to modify or materially to extend the provisions of the Bills of Exchange Act, 1882.

62. The ordinary law on these points in the enemy countries varies, and is not identical with that of the United Kingdom; but the present war would probably be recognised in most countries as a case of *force majeure* excusing non-presentment. In Germany the Decree of September 30, 1914, provides that the date on which presentment or protest must be made is postponed so long as the Decree is in force, and that the subsequent time-limit for presentment or protest is to be fixed by the Imperial Chancellor. We have no information as to special legislation during the war in the other enemy countries.

63. We recommend that it should be our policy to include in the Treaty of Peace an agreement, to be enforced by legislation in each country, that delay in Presentment for Acceptance or payment, Notice of dishonour to drawers and indorsers, and Protest will be excused where such delay is caused by the war, and not by the default, misconduct or negligence of the holder; and that Presentment, Notice and Protest within a specified period after the restoration of peace (with any modification of procedure that may be advisable) shall have the same effect as Presentment, &c., at the proper date.

An agreement of this kind between belligerents would not have any effect as regards the liability of a neutral drawer or indorser. For this purpose it is desirable that the neutral countries should accept and apply the same principle. The settlements made at the time when peace is concluded will affect neutrals in many ways, and it is possible that means may be found of inducing them to adhere to the agreement which we suggest between the belligerents.

(c) *Debtors for Acceptance Credits.*

64. In many cases where a Drawee had accepted a bill before the war under a credit opened in favour of a client who became an enemy, the bill did not fall due, and consequently the obligation of the enemy client to place the Acceptor in funds did not mature until after the outbreak of war.

In such cases the obligation of the client became complete when the acceptance was given, though it had not to be discharged till a later date. We do not think that there can be any doubt that such an obligation is not cancelled by the war, and that though its enforcement is necessarily suspended during the war, the remedy revives after the war. If there is any doubt on this point it should be removed by agreement and legislation.

Questions arise as to the payment of interest and commission in these cases. We have dealt with them under the heading of *Interest* (paragraphs 50-53).

(d) *Acceptances given during the war under Confirmed Credits given on behalf of Enemy Clients before the war.*

65. A credit opened for a client by a Bank or Accepting House is sometimes confirmed to a third party, who thereupon draws a bill and negotiates it with the assurance that it will be duly accepted. Many cases arose, early in the war, in which a credit, opened for a client who had since become an enemy, had been confirmed, before the war, to a non-enemy, and the bill came forward for acceptance after the outbreak of war. The acceptance of such bills came under the prohibitions of the Trading with the Enemy Proclamations; but as the confirmation of the credit to the non-enemy was considered to constitute a contract with him and to be binding upon the Acceptor, licences were given for the acceptance of bills under these circumstances. Many such bills were accepted and paid in due course.

The licence removed all doubt as to the legality of the transaction; but there may be some doubt as to whether the enemy client's obligation to reimburse the Acceptor remains unaffected by the war. If there is any such doubt it should be removed, and it should be provided, by Agreement and if necessary by legislation, that for the purposes of the contract between the Acceptor and the enemy client, the confirmation of the credit before the war should be deemed equivalent to the acceptance of the bill.

(iv) PERIODS OF PRESCRIPTION.

66. The period of prescription in most foreign countries is short—in some cases (*e.g.*, Austria) so short that the rights on a bill of exchange would be lost during the period of the war. In some countries war probably operates to suspend the period of prescription; but it is not clear that this is the case in all the belligerent countries. Where the rights on a bill are lost, a holder may still retain a right of action for the consideration which depends on the underlying contract; but, even where this is the case, it is desirable that the rights on the bill should be preserved.

We therefore recommend that there should be an express agreement that as between enemies the period of the war should be excluded in calculating any period of prescription, and that, where necessary, legislation should be passed to provide for this.

This should apply not only to bills of exchange, but to coupons and generally to all debts and pecuniary obligations which may be affected by a period of prescription, whether statutory or contractual.

(v) SALE OF SECURITY.

67. A creditor often holds property of the debtor as security for the debt. The most ordinary cases are the following:—

(a) Security held by a banker, under a mortgage, charge or lien. Such security most frequently consists of bonds, stocks or shares, but may be other kinds of property.

(b) Security held by a Bank or Accepting House to cover acceptance credits. Such security may be bonds, stocks or shares, or goods.

(c) Security held to cover liabilities on open Stock Exchange accounts. Such security would almost always be bonds, stocks or shares.

If the debt is not paid when due, the holder of the security has not, as a rule, any right to sell it without giving previous notice to the debtor and thus affording him the opportunity of paying the debt if he does not wish the security to be sold. Sometimes there is an express provision for notice before sale in a contract between the parties; in other cases the requirement depends upon custom, which probably has the force of law.

The outbreak of war caused debts to remain unpaid, and also rendered it impossible as a rule to give notice to an enemy debtor of the intention to sell the security in satisfaction of the debt. In some instances, where permission was given for communication with the enemy debtor, notice was given, but the debtor declined to consent to the sale, expressing at the same time his readiness to satisfy the debt, if permitted to do so.

The holder of security has in fact frequently realised his security without the previous consent of the owner. No case has, we believe, come before the Courts as to the legality of a sale in these circumstances.

Recommendation.

68. It appears to us that where the holder of the security has acted in good faith, and has conducted the sale with reasonable care and skill, his action should not be open to question. It should therefore be our policy to include in the Treaty of Peace a provision to the effect that the outbreak of war shall be held to have conferred on a creditor holding security, who is unable to obtain payment of his debt when due, the right, but not the obligation, to sell the security without notice to the debtor, and that there shall be no claim on the part of the debtor on the ground that the price realised was insufficient, if the sale has been effected with reasonable care and skill.

Legislation will be required to give effect to such an agreement; and it is desirable that such legislation should be passed in this country, even if no agreement on the subject is reached.

V.—CONTRACTS.

(i) GENERAL.

69. Most of the transactions which remained incomplete at the beginning of the war form the subjects of contracts. These contracts are of great variety and of every degree of complexity, from a simple contract for the sale and purchase of goods to an elaborate mass of provisions regulating for a long period the relations of great enterprises.

In order that claims by and against "enemies" may be settled with certainty, it is necessary that the effect of war on contracts should be determined.

70. In the United Kingdom and throughout the British Empire generally (with some exceptions) the question is governed by the Common Law, which, though perhaps clear in its principles, is not always clear in its application to particular cases.

By the Common Law it is illegal for persons residing or carrying on business within the King's Dominions, whether of British or foreign nationality, to have intercourse with the "King's enemies," i.e., with persons residing or carrying on business in enemy territory; and since in most cases the performance of a contract necessarily involves intercourse between the contracting parties, it follows that as a general rule the outbreak of war renders the further performance of a contract with an "enemy" illegal so long as the state of war continues. The contractual obligation in most cases is such that its postponement till after the war has ended would alter the position of the parties, and in effect substitute a different contract from that which they themselves had made. The contract is consequently in these cases regarded by the law of England as dissolved on the outbreak of war, and the parties are completely released from all the obligations which, but for the war, would have become operative after that date. The same result follows even where the contract contains a clause suspending its operation during the war, if there are parts of the contract requiring for their execution intercourse with the enemy to which the suspensory clause does not apply. Even when a contract does not involve intercourse with the enemy, it may be regarded by the law as dissolved on other

grounds. For instance, where the contractual relation is of assistance to the King's enemies during the war, by increasing their resources or diminishing those of our own country, the contract is dissolved as being contrary to public policy.*

It is to be observed that the contract is dissolved as at the date of the outbreak of war. The obligations which had become operative before the war began still exist, though they may not be enforceable until peace is restored; only those obligations (and the corresponding rights) which would have become operative after the outbreak of war, are cancelled.

In some cases, as for instance in that of a simple contract to repay money lent, the fulfilment of the contractual obligation can be postponed till after the war, without altering the position of the parties. In such cases the obligation is merely suspended during the period of the war and becomes enforceable on the restoration of peace.

71. It is probable that the great majority of pre-war contracts with "enemies"—excepting contracts for the payment of money—were, according to English law, dissolved by the outbreak of war. But in this connection it must be observed that since the private property of enemies on land cannot by the law of nations be captured or forfeited, an enemy person who owns property, whether moveable or immoveable, situate within the King's Dominions, or any interest in such property, does not by reason of the outbreak of war lose his rights. It may be, as for instance, in the case of leasehold land in England, that the enemy, by reason of his ownership of or interest in the property, has various contractual rights and is subject to various contractual obligations. Since the cancellation of those rights and obligations would in effect operate as a forfeiture of property, it seems that they must remain in full force notwithstanding the existence of a state of war.

72. It is necessary for the purpose of settling claims by or against enemies which arise out of pre-war contracts, that the effect of the war on these contracts should be determined. But it is most improbable that the existing law of any two belligerent States on this point will be identical. In some cases no doubt it will be found that the contract expressly provides that it is to be construed according to the law of one country, but where, as is more commonly the case, the contract does not expressly provide by what law it should be governed, and the law of the two or more countries of which the contracting parties are nationals is not identical, there may be no possibility of adjusting their claims one against the other, since a party who was according to the law of one country a creditor might be found by the law of the other country to be a debtor, and *vice versa*.

The situation is further complicated by the fact that the ordinary law has been modified during the war by legislation giving special powers for the determination of contracts, not only in the United Kingdom, but in most other parts of the British Empire, and also in Germany, and possibly in other enemy countries. This special legislation has not been uniform, and in some cases it has given discretionary powers to the Executive.

73. It is desirable to remove these divergencies and uncertainties, and, so far as possible, to apply simple and uniform rules to the treatment of pre-war contracts. Moreover, as we shall see later, it will be expedient to make special provision for meeting the circumstances of particular classes of contract which are not satisfactorily dealt with by the general law. Such provision cannot be effectively made by legislative action in one of the countries concerned, unless there is similar action in the other countries. We have, therefore, come to the conclusion that it should be our policy to include in the Treaty of Peace provisions as to what should be the effect of the war on contracts, such provisions to be enforced where necessary by domestic legislation in each country.

74. If this conclusion is accepted, it is necessary to consider what should be the nature of the international agreement on this subject.

It should, in the first place, be provided that all debts of every sort and other direct pecuniary obligations arising from a pre-war contract (for instance, from a negotiable instrument) should remain in force, and should be duly discharged when peace is restored. This provision is, we believe, in accordance with the established law of nations.

* *Zinc Corporation v. Hirsch*, 1916, 1 K.B. 541 (Court of Appeal). *Clapham Steamship Company v. Vulcan Company*, *Times Law Reports*, 33, 546.

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75. A contract should not be dissolved merely by the fact that one of the parties to the contract becomes an enemy, if the effect of the dissolution would be to forfeit or cancel a right of property. It may be that the existence of a state of war will have prevented the enemy from discharging his obligations under such a contract. For example, an enemy lessee of land or a house may by reason of the war find it impossible to comply with the covenants contained in his lease, and failure to comply with those covenants may entitle the lessor to re-enter upon the land and forfeit the lease. In such a case we do not propose that the provisions in the Treaty of Peace should relieve the lessee from his obligations, or deprive the lessor of his rights. All that we propose is that the lessor should not be entitled to forfeit the lease merely by reason of the fact that the lessee is an enemy, since any such proposal would, in our view, violate the principle that the private property of enemies must be respected. Other instances of contracts which cannot be dissolved without affecting rights of property are contracts of mortgage, charge, pledge, or lien; contracts for the sale and purchase of land.

76. With the above exceptions, we think that every pre-war contract between persons who have become enemies should be regarded as dissolved on the outbreak of war, without prejudice to the enforcement of any rights or obligations which arise from the part performance of the contract before the war began. This would mean that the contracts most usual in commercial transactions (contracts for sale and purchase of goods where the property had not passed, contracts of agency, partnership, affreightment, &c.) would all be dissolved.

The effect of this would be, substantially, to give international effect to the law as it exists in this country. There is an obvious advantage in this. The Courts can rarely compel a party to perform his contractual obligations; as a general rule damages are the only remedy for breach of contract. In many cases the party to a pre-war contract relying, it may be, on an express decision of his own Courts that his contract had been dissolved, will have made such arrangements and entered into such obligations that it would be impossible for him to carry out the pre-war contract with the enemy even if he were minded to do so. In these cases, if the legislature were to decree that the contract should be revived, he would have to pay damages to the enemy. This would certainly be regarded as a grave hardship by our people; and, in the converse case, it would be regarded in the same way by our enemy. Even where specific performance is possible, the revival of contracts dissolved by law would cause great dislocation and hardship.

77. There will be some contracts of a mixed character, containing provisions conferring or defining rights of property, and other provisions creating obligations of the kind which, under our proposals, would be dissolved.

Where the two parts of the contract are separable, the provisions of the latter kind would be dissolved, while those of the former kind would remain valid. For instance, a contract of partnership would be dissolved, so far as concerns the mutual obligations of the partners, but each partner would retain such rights of property as belong to him under the contract.

Where the two parts of the contract are inseparable the whole would be dissolved.

78. If our recommendations regarding contracts be adopted, we think that the settlement of claims by or against enemies under the great majority of pre-war contracts would present comparatively small difficulty.

But there are certain classes of contracts for which special provisions must be made. These are contracts of Insurance and Reinsurance of all kinds; Contracts which have been closed or otherwise dealt with under the rules of a body such as the Stock Exchange, the London Metal Exchange, the Liverpool Cotton Association, &c.; Contracts relating to Patents, Designs, Trade Marks and Copyrights. We proceed to deal with these special cases.

(ii) INSURANCE AND REINSURANCE CONTRACTS.

79. We have heard witnesses representing the principal Associations of Fire, Life and Marine Insurance Companies, and Lloyd's, and also certain Companies doing special business, and have ascertained their views on the questions which arise in connection with Insurance.

A Conference on Insurance questions was held at Paris in October 1917, on the initiative of the Comité Permanent International d'Action Economique. The Conference was composed of representatives of the Allied Countries (with the exception of the United States of America), and included experts in the various categories of Insurance. The British Delegates were the Chairman of this Committee, together with Mr. Geoffrey W. Russell, on behalf of the Board of Trade, and representatives of the Fire, Life, and Marine Insurance Companies. The recommendations which follow are in agreement with the Resolutions of the Paris Conference, of which a translation is appended to this Report (Appendix).

80. Contracts relating to Insurance may be divided into four classes: (1) Fire, (2) Life (including annuities and endowment policies), (3) Marine, (4) Miscellaneous (accident, employers' liability, fidelity, &c.).

They also fall into two broad divisions: A. Direct contracts of insurance between an Insurance Company or other Insurer and an Assured. B. Contracts of reinsurance between Insurance Companies or other Insurers. Where such contracts do not relate to a particular risk, but cover a number of risks, they are often called "Treaties" of reinsurance.

81. The considerations which arise in relation to direct Insurance Contracts are different from those affecting Reinsurances. In the former case the assured may suffer heavy and possibly ruinous loss if it is decided that his insurance was cancelled at the outbreak of war. He may have refrained from covering his risk afresh because he had no knowledge that his existing insurance was cancelled, and, in some cases, especially in life insurances, he would have been unable to effect a fresh insurance on the same terms. If a loss occurs while the risk is uncovered, it falls upon the individual, who as a rule has had no means of spreading or averaging his risks except by means of insurance. It is desirable, therefore, that direct Insurances should be treated in such a way as to protect the interests of persons insured with enemy companies. In the case of reinsurance, on the other hand, the transaction takes place between insurers, as a means of further subdividing risks which were already spread or averaged by other methods. If a reinsurance or a treaty of reinsurance is cancelled, the insurer may remain responsible for larger particular risks than would ordinarily be considered prudent, but he is generally in a position to effect a fresh reinsurance, and in any case the result will be usually an increase of profit or loss, and not the destruction of the basis of the business. There is therefore not the same practical objection to the cancellation of reinsurance contracts or treaties, and there are obvious advantages in freeing British and Allied companies from engagements with enemy companies which often extend over a long period.

82. We recommend therefore, in principle, that direct Contracts of Insurance should remain intact, but that contracts and treaties of reinsurance should be cancelled as at the beginning of the war. But as will be seen from our detailed recommendations under the different heads, this principle is subject to certain modifications arising from the conditions peculiar to the different classes of Insurance.

83. It will be convenient to state here that the witnesses representing Fire, Life and Marine Insurance interests all expressed the desire that no obstacle should be interposed to prevent Insurers from carrying out any obligations which properly and equitably attach to them. They regard this as extremely important for maintaining the reputation of British Companies, and for enabling them to retain the confidence of clients in all parts of the world. This applies to countries which at present are friendly or neutral, rather than to the Enemy countries, since they do not expect or desire to continue business in the latter after the war.

84. As in the case of contracts generally, so in the case of Insurance, no solution of the questions arising with enemy countries will be satisfactory or effective if it is not accepted by the belligerents on both sides, and enforced in the countries concerned. It should be understood, therefore, that the recommendations which we make below are intended to indicate the conditions which it should be our object to insert in the Treaty of Peace, such conditions to be enforced, where necessary, by legislative or administrative measures in each country.

A.—Direct Contracts of Insurance.

Existing Law.

85. The English Law on the subject of the effect of war on direct contracts of Insurance is not clear. As regards *Fire Insurance*, no cases appear to have been

decided either in this country or in America. The only case in this country bearing on the question of *Life Insurance* is *Seligman v. Eagle Insurance Co.* (1917, 1 Ch. 519), in which Mr. Justice Neville decided that a Life Insurance Contract does not become void only by reason of the Assured becoming an alien enemy, and that there is nothing illegal in the acceptance by the Insurer of premiums tendered during the war. There has been no appeal against this decision. *Marine Insurances* which cover risk of British or Allied capture become void at the outbreak of war; if they expressly purport to cover such risk they were illegal and void *ab initio*. We are not aware that it has been decided what the effect of war is on a policy which does not cover risk of British or Allied capture, but there is, in the opinion of some competent lawyers, reason to think that the Courts would hold such contracts also to have been dissolved at the outbreak of war.

Fire Insurance.

86. The amount of direct business done by British Companies in enemy countries was large, but practically no direct business was done in this country by enemy Companies. The usual form of contract in this country is an annual contract with premium payable in advance, but insurances may be for a term of years with a single or an annual premium. Long-term insurances are rare in this country, but a ten years' contract with annual premiums is the usual form on the Continent.

For the reason stated above, the British Companies desire that no action should be taken which would have the effect of debarring them from the payment after the close of the war of any claims which have arisen during the war under their policies issued before the war.

It appears that in many cases the business of British Companies in enemy countries has since the beginning of the war been transferred to enemy Companies without the consent of the British Company. In this way their business in the enemy countries will have been brought to an end, since all annual contracts will have expired, even if they were not transferred, and long-term contracts will probably in all cases have been transferred. The Companies do not desire to rescind such transfers, provided that they have been effected on equitable terms, but British Companies claim the right to receive full information as to the terms on which the transfer has been made, and to be protected against inequitable conditions.

87. We recommend, therefore, that it should be our object to include in the Treaty of Peace, provisions to the following effect, to be enforced, if necessary, by legislation or by administrative action in each country:—

- (1) Direct Fire Insurance Contracts will not be deemed to have been dissolved by the outbreak of war.
- (2) Where, by administrative or legislative action, an insurance effected before the war has been transferred during the war to another company, the transfer will stand good, and the liability of the original insurer will have ceased at the date of transfer, but the original insurer will be entitled to receive full information as to the terms of transfer, and to have these terms amended if they are not equitable.

An assured whose insurance has been forcibly transferred to an enemy insurer should have the right of retransferring it to the original insurer after the war, if the original insurer consents.

Life Insurance.

88. So far as British interests are concerned the question of Life Insurance is not to any great extent of a reciprocal character. Comparatively few British subjects are insured in enemy Companies, but British Companies have a large business in insuring the lives of subjects of or residents in the enemy countries. This business was done in two ways:—

- (1) Life Assurance Contracts issued in the *British Empire* on the lives of enemy subjects wherever resident. Such contracts are subject to the jurisdiction of the British Courts. Business of this kind is transacted by almost all the British Companies.
- (2) Life Assurance Contracts of British Life Offices issued through properly constituted branches in enemy countries. This class of business is transacted by a small number of British Offices only.

In Allied Countries, on the other hand, a large business was done in Life Insurance by German and Austrian Companies.

Life Assurance Contracts of British Companies issued in the British Empire.

89. Contracts of Life Insurance stand in a special position. So long as the premiums are paid the Insurer is bound by the contract; but the Assured is not bound to go on paying the premiums, and can cancel the contract at any time by ceasing to pay. To dissolve all Life Insurance Contracts at the outbreak of war would cause hardship to the Assured, even if the surrender value were paid. On the other hand, to regard the contract as merely suspended during the war would be unfair to the Company, since the Company would have no power to compel all the policy holders to revive their policies, while those whose health had deteriorated would almost certainly wish to revive theirs, thus leaving the Company ultimately with a deteriorated body of enemy policy-holders on its books.

90. After considering the suggestions laid before us by the Companies we make the following recommendations:—

1. Contracts of Life Insurance (including contracts for endowment insurances, annuities, &c.) should not be deemed to be dissolved by the outbreak of war, and any payments which have during the war become due thereunder should be recoverable after the war.
2. If a policy has lapsed owing to non-payment of premiums during the war, or has become void in consequence of the breach of any of the express conditions of the contract, the Assured should have the right to receive from the Insurer, as at the date of lapse or avoidance, the surrender value of the policy at that date. The Assured's claim should be presented within 12 months after the termination of the war.
3. In the case of lapsed or voided policies, it should be legal for an Insurer, if he so desires, to give to the Assured more favourable terms than those defined in (2). The Insurer should, for instance, be at liberty to pay a claim arising on a lapsed policy, subject to deduction of unpaid premiums and to allow the revival of a lapsed policy on payment of overdue premiums.

The Companies desire not to be debarred from admitting a claim which has arisen under the conditions of a contract, upon a death which has occurred since the beginning of the war, even when the death has been due directly or indirectly to taking up arms against the Allies. It is doubtful whether the existing law allows the admission of such claims, and, if it is decided to meet the wish of the Companies in this respect, the point should be expressly dealt with in the legislation which will be necessary. The Companies hold that the payment of such claims would be advantageous to their credit, and we see no sufficient reason for not meeting their wishes. The considerations which apply in similar circumstances to Marine Insurances appear to us not to apply, or at any rate not to have nearly the same force, in the case of Life Insurance.

Life Assurance Contracts of British Companies issued in Enemy Countries.

91. The Contracts issued in enemy countries are governed by the law of the country in which the business is done, and in most cases the Companies have been required, as a condition of doing business, to make deposits sufficient to cover their liabilities. It may be assumed that these contracts remain in force, and that if the Assured has wished to maintain the Insurance he has continued to pay his premiums. It is probable also that claims arising during the war have been met from the funds at the disposal of the local branches of the Companies, the business having generally been carried on under Government control and supervision.

It appears, therefore, that no special agreements or provisions are required for dealing with the validity of these contracts, or for the case of lapsed policies.

There are, however, certain special points on which we have received representations from the Companies concerned.

(a) Alteration of Conditions of Policies.

92. The Companies have reason to believe that in Hungary legislation has been passed modifying the conditions embodied in the policies, to the benefit of the Assured and to the detriment, consequently, of the general body of policy-holders elsewhere.

We think that the Companies should be protected against the effect of such legislation, and should be liable only for claims arising under the terms of their contracts.

93. It is stated also that in Turkey legislation has been passed which would nullify the condition, included in policies issued there, that questions arising upon the policies would be subject to the jurisdiction of the Consular Courts.

This is a question which will probably arise in its general application, and not only with reference to Insurance contracts. The question of Consular jurisdiction will, no doubt, be one of the matters to be dealt with in the settlement with Turkey.

(b) *Inequitable Judgments.*

94. Certain judgments have been given by the Courts in enemy countries which are held by the Companies to be inequitable. If an agreement is arrived at as to the treatment of Insurance questions in general any judgments which are at variance with such agreement should be rectified. If no such agreement is arrived at the Companies should at least have protection against the effects of judgments which are shown to be clearly inequitable. In the absence of full information as to the action of the Courts, we refrain from examining particular judgments from this point of view.

(c) *Deposits in Enemy Countries.*

95. In Germany and Austria-Hungary, Companies doing Insurance business are required to maintain deposits invested in specified securities, generally speaking Government securities, or securities guaranteed by the Government. In Austria the deposits must be not less than the full actuarial liability on the policies in force. In some cases these obligations have been imposed on a Company after it had begun to do business in the country in question.

The Companies represent that they will suffer from severe depreciation in investments which were not of their own selection, but which were imposed upon them by the Government; and, in particular, that they are exposed to the risk of default on the part of the Government.

Several of the Companies concerned have suggested that the whole of their business in the enemy country, and the assets held there in respect of it, should be handed over to the enemy Government as at the outbreak of war, or at the last balance-date before that time, on a fair transfer basis. The Government would thus receive assets sufficient to meet all liabilities before the war, and any subsequent deterioration in the assets in consequence of the war would be borne by the Government.

We cannot support this suggestion. We understand that the policies issued in enemy countries were expressly secured upon the whole assets of the issuing Company and not only upon the assets in the country where they were issued. To limit the liability to the latter, in the manner now proposed, would be an alteration of the contract to the benefit of the Company and to the detriment of the Assured. It would protect the Company, in respect of this particular business, against depreciation of investments, although such depreciation is not confined to the securities of the country concerned, but is general and extends to all securities with fixed rates of interest, though it varies in amount according to the circumstances. Such a proposal would, in the opinion of other British Insurance Companies, and also in our opinion, be gravely injurious to the reputation of British Insurance.

96. It is represented that by imposing the obligation to invest in certain securities, and particularly in its own securities, the Foreign Government has become a third party to the contract between the Insurer and the Assured, and that this creates a special position, giving the Company a right to protection. The Company, however, consented to do, or to continue business on these conditions, and the intervention of the Government does not make it a party to the insurance contract or give the Insurer a right to protection against general depreciation of securities. If there is actual default on the part of the Government, the case is somewhat stronger. It has been suggested by one Company that in the event of any default in payment of interest or capital of Austro-Hungarian securities held by the Company, the Company should be proportionately relieved of its liabilities in the country in

question. We think, however, that it would be detrimental to the reputation of British Insurance Companies to arrange that, although the insuring company is solvent, the Assured should suffer from the insolvency of their own Government. 253

97. The same Company also desires to be protected against any "sudden demand" by the enemy Government at the close of the war that the funds invested in the "enemy country—actuarially sufficient before the war to meet every claim, but heavily depreciated in consequence of the enemy Government entering into the war—should be added to by new money or new securities in order to make good that depreciation." It appears to us that, provided the general funds of the Company remain liable for its obligations in the enemy country, it should certainly be allowed a reasonable period for complying with any legal requirements as regards the amount of its deposits.

(d) *Recommendations of the Paris Conference.*

98. In the Resolutions of the Conference on insurance matters held at Paris in October 1917, two other questions are dealt with in connection with Life Insurance.

(i) It appears that under French law, and probably under the law of other Continental countries, the Insurer remains responsible, even though the Assured has ceased to pay his premiums, until special notice of termination of the contract has been sent to the Assured. We agree with the recommendation of the Conference that where an Insurer has thus remained responsible for the risk during the war, he should be given the right of recovering the unpaid premiums.

(ii) Inhabitants of occupied territories, who were insured with an enemy Company may have been placed in such a position that it was impossible for them to pay their premiums. We agree with the recommendation that in such cases the Assured should have the right to require the enemy Insurer to continue the contract, subject to the payment, immediate or deferred, of premiums in arrear.

Marine Insurance.

99. Contracts of Marine Insurance (whether of a ship or of cargo) may be either Time policies, *i.e.*, insurances for a fixed period, which in this country may not (except in certain special cases) exceed one year, or Voyage policies covering a specified voyage or voyages. The risk is *accepted* when the underwriter signifies his acceptance, usually by initialling the slip presented to him by the broker; but the risk does not *attach* until the period commences or, in the case of a Voyage policy, till the voyage is begun, and the insurance does not take effect till that moment arrives.

100. We accept the views put forward by the representatives of the Marine Insurance Companies from whom we have received evidence, and accordingly we recommend (a) that if a risk had been accepted and had attached before the war, the contract should not be dissolved, and the underwriter should pay for a loss covered by the insurance, even if the loss occurred after the outbreak of war, and irrespective of whether the premium had actually been paid; (b) that where the risk had not attached at the time of the outbreak of war the contract should be deemed to have been dissolved at that date. In most such cases the premium will not have been paid. If it had been paid it should be returned.

The acceptance of the above principles should be subject to reciprocity, but the obligation to pay losses occurring after the beginning of the war cannot in our opinion include cases where the loss was due to belligerent action by the forces of the insurer's country or by those of its Allies. As already stated, it has long been settled law in this country that a British insurer is prohibited from insuring against such losses.

101. In some cases, especially in France, persons who had insured marine risks with an underwriter who became an enemy effected a fresh insurance of the same risk, in whole or in part. We agree with the recommendation of the Paris Conference that such new insurance should be regarded as having been substituted for the original insurance, and that there should be a settlement of premiums in proportion to the period remaining to run at the time of substitution.

Miscellaneous (Accident, Employer's Liability, Fidelity, &c.).

102. We have not taken special evidence on the miscellaneous classes of Insurance, which are not important from the International point of view. It appears to us that direct contracts existing at the beginning of the war should remain valid, and that any reinsurances should be treated in the same manner as reinsurances of Fire risks.

B. Contracts and Treaties of Reinsurance.

103. There can be no doubt that a *treaty* of reinsurance between a British Company and an Enemy Company is, by our Law, dissolved at the outbreak of war, since for its execution it certainly requires intercourse between the parties.

The Insurance Companies, whatever the class of business with which they deal, do not desire any modification of this principle, but there are certain differences in their views as to the treatment of reinsurances of particular risks which were in force at the beginning of the war.

104. In the case of *Fire Insurance*, the question presents no difficulties. All reinsurance contracts should be cancelled at the outbreak of war, a balance being struck between the parties at that date, and premiums being apportioned accordingly.

105. In *Life Insurance*, reinsurance operations between British and Enemy Companies are rare, and negligible in amount. We agree with the recommendation of the Paris Conference that reinsurances of life policies, current at the outbreak of war, should remain valid.

106. In *Marine Insurance* (the other class of insurance where reinsurance is largely practised) the matter is less simple. There would, for instance, be great difficulty in apportioning the premium for an insurance on a voyage which began before and terminated after the outbreak of war. The principle should, in our opinion, be the same, viz., that all pre-war reinsurance *treaties* concluded with enemies should be dissolved at the beginning of the war. This principle should, however, be applied in the sense that no more transactions under the treaty should take place after the beginning of the war, but that where the cession of a risk had become effective, either specifically or generally, under the terms of the treaty, and the risk had *attached* before the beginning of the war, the contract with regard to that risk should remain valid even though the period of time or the voyage, as the case may be, extended beyond the beginning of the war.

107. As in the case of direct contracts, cases have arisen, especially in France, where an Underwriter has reinsured afresh, in whole or in part, a Marine risk originally ceded to a reinsurer who has become an enemy. We agree with the recommendation that such reinsurance should be considered as having been substituted for the original reinsurance, with adjustment of premiums in proportion to the period remaining to run at the date of this substitution.

108. The Paris Conference points out that Companies operating in occupied territory may have been made unable to effect fresh reinsurances of risks of various kinds reinsured with enemy Companies. We agree with the recommendation that in such cases the original reinsurance should stand.

C. General.

109. There remain certain points which apply to some extent to all classes of Insurance.

(a) Property.

Many Insurance Companies had property in enemy countries—either real property, or balances at banks or elsewhere, or securities deposited in conformity with legal requirements or for other purposes in connection with their business. They desire to have full information as to dealings with their property and protection against unfair treatment.

Their position is similar to that of other owners of property in enemy countries and their interests are of considerable magnitude. All protection which can be given in other cases should be extended to them.

(b) Inequitable Treatment.

110. We have made certain recommendations with regard to Life Assurance contracts issued in enemy countries, which, though arising specially with regard to those contracts, may have a more general application. We recommend, therefore, that—

(a) Allied Insurers and Insured in all classes of insurance should be protected against any modification of the conditions of their contracts effected by legislative or administrative action in enemy countries.

(b) Any decision of an enemy Court which violates the just rights of Allied Insurers or Insured ought to be subject to revision.

(c) Interest.

111. If it is decided that all debts, the payment of which has been deferred owing to the war, are to bear interest (*see* paragraph 45 of this Report) the Decision would naturally apply to payments of premiums or claims which fell due during the war and are paid after the war, although it is not the ordinary practice to allow interest on claims the payment of which is delayed.

There will, however, be difficulty in determining the date from which interest on claims should run. Life and Fire Insurance Claims are usually paid promptly, but in Marine Insurance, a long period (sometimes years) may elapse before the claim is finally established. If interest is to be paid it is necessary to find some rule of simple application, and we suggest that it should begin to run one year after the date of the casualty. In the case of Marine casualties it may be necessary in some cases to fix an estimated or an average date.

(iii) CLOSURE OF CONTRACTS UNDER THE REGULATIONS OF A RECOGNISED EXCHANGE.

112. At the outbreak of war contracts were running between members of organisations such as the Stock Exchange, the Metal Exchange, &c., and persons in Enemy Countries. These contracts were of various kinds, a feature common to many of them being that they are carried on from account to account, with a settlement of differences at each account. For instance, a cotton "future" contract gives the buyer the right to call for delivery of cotton in a specified month at a specified price, and in the intervening period a weekly cash settlement takes place between buyer and seller according as prices advance or recede. In the case of the Stock Exchange, transactions of various kinds were frequently carried on from account to account, with a settlement at each account.

113. There was considerable uncertainty at first as to the effect of war on such contracts with enemies. It is probable in the light of the decisions which have since been given by the Courts, that all such contracts were dissolved at the outbreak of war. This, however, was not clear at the time, and the Exchanges concerned made regulations as to the manner in which such current contracts should be closed, the regulations assuming, in some cases, that the contracts were not dissolved by English law.

It will be convenient to state briefly the most important regulations of this kind which have been brought to our notice.

114. *Cotton "Futures."*—The Liverpool Cotton Association decided that all "future" contracts with Enemies should be closed as on 31st July, 1914. This action was confirmed by the Cotton Association (Emergency Action) Act, 1915, and it is desirable that it should be made binding upon the enemy parties by agreement included in the Treaty of Peace.

115. *Cotton Shipment Contracts* (known as "c.i.f. and 6 per cent. contracts").—These contracts provide for shipments of cotton, in some cases at distant dates, extending even as far as 1920, and are not subject to periodical settlements of differences. The Association made no compulsory regulation, but advised that a settlement should be made, by arbitration if necessary, when the date for shipment came round.

There is, we think, no doubt that under the existing law any such contracts relating to shipment of cotton during the war were in fact dissolved at the outbreak

of war. The Association desire that their action should be confirmed on the ground that its results would be more equitable, as between different firms, than the results of dissolving the contract as at the beginning of the war.

We see difficulty in confirming action which was not in conformity with the law as now declared and which was not obligatory but merely advisory. We think that these contracts should be treated in the same way as contracts in general.

116. The *Stock Exchange* made various emergency Rules and Regulations; but these will not, as a rule have applied to contracts with enemies, since such contracts were closed, either on the initiative of the member of the Stock Exchange who was a party to it or in accordance with the Committee's Notice of November 12th, 1914, which informed members that they were entitled to close transactions with enemies by sale or purchase as the case may be.

We recommend that action taken in conformity with this circular, whether before or after its issue, should be confirmed.

117. We do not enter into detail with regard to the Metal or other Exchanges; but we recommend generally that where an Exchange or Commercial Association is of such standing that contracts are habitually made under its rules and it has made special regulations dealing with pre-war contracts, such regulations should be confirmed unless it can be shown that they are unreasonable.

The same principle would apply as regards Exchanges and Commercial Associations in Enemy countries.

(iv) CONTRACTS RELATING TO PATENTS, DESIGNS, TRADE-MARKS AND COPYRIGHTS.

118. Contracts relating to Patents, Designs, Trade-marks and Copyrights, should, we think, be treated in the way we have suggested above for contracts which cannot be dissolved without forfeiting or cancelling rights of property, the title to a Patent, Design, Trade-mark or Copyright being regarded for this purpose as being analogous to a right of property.

It follows that a licence for the use of a Patent, Design or Copyright would be treated in the same manner as a lease of property; but if a licence has been granted to the same person by the Government under War Legislation it must be regarded as superseding the original licence.

119. We desire to record our appreciation of the excellent work performed by our Secretary, Mr. Mead Taylor, and of the valuable assistance which he has given us in the course of our enquiry.

VI.—SUMMARY OF RECOMMENDATIONS.

CLEARING SCHEME FOR SETTLEMENT OF PRE-WAR DEBTS.

1. By agreement between the belligerent Governments, embodied in the Treaty of Peace, an arrangement should be made for the settlement by the intervention of the Governments of all indebtedness arising out of commercial, banking and financial transactions which were not completed owing to the outbreak of war. The principle of such a scheme would be that each Government would be responsible for collecting the sums ascertained to be due from its own nationals, and would pay the sums ascertained to be due to its nationals, the balance being settled between Governments. [§ 2 (1).]

2. All settlements of such indebtedness otherwise than through the agency provided by the Governments should be prohibited. [§ 2(2).]

3. Existing prohibitions of payments to enemies and of the restoration of enemy property should be maintained until a satisfactory arrangement has been concluded, including adequate assurance in the form of tangible security or otherwise for its execution. [§ 2 (3)].

4. The scheme to be adopted should apply to the British Empire as a whole, and should, if possible, be concerted with our Allies. [§ 2(4).]

5. Immediate steps should be taken to consult the Dominions, India and other parts of the British Empire. As soon as practicable communications should be entered into with the Allied Governments with a view to common action. [§ 4.]

SCOPE OF THE CLEARING SCHEME.

6. *Persons.*—The scheme should apply primarily to persons of British nationality resident or carrying on business in the British Empire, and to British subjects resident or carrying on business in a place which is not British territory who are amenable to ex-territorial law administered by British Consular or other special Courts. [§ 7, 9.]

It might apply to Allied subjects resident or carrying on business in British territory; but, preferably, in such cases the British Clearing Office should act as agent of the Allied Clearing Offices. The scheme should not include neutral or enemy subjects in British territory. [§ 10, 12, 13.]

On the enemy side the definition of the persons to be included in the scheme should be similar to that to be adopted in this country. [§ 14.]

7. *Territory.*—The British Empire should take part in the scheme as a single whole. It is desirable that all the Allied countries should take part, not jointly, but severally. [§ 15.]

On the enemy side the scheme should apply to the enemy countries severally. [§ 16.]

In the case of Turkey it is suggested that the execution of the scheme might be placed under the control of the Council of Administration of the Ottoman Public Debt. [§ 16.]

British Protectorates generally should be included, as forming part of the British Empire; but the cases of Egypt and Cyprus require special consideration. [§ 17.]

Occupied territory which, after the war, is restored to its former status should for the purposes of the scheme be regarded as having its proper attribution. Territory which at the end of the war is annexed or transferred or made independent should be excluded from the scheme. [§ 18, 19.]

8. *Debts.*—The debts coming within the scope of the scheme would be primarily debts due or accruing due before the outbreak of war from a person coming within the scheme in the one country to a person coming within the scheme in the other; and debts which have become due during the war as the result of transactions or contracts entered into before the war. [§ 20.]

9. Claims against Governments in respect of requisitions, sequestrations, &c., should not be included in the scheme for the purpose of determining the amounts

due; but when the amount has been ascertained the Clearing system should be employed for the actual settlement. The same applies to sums which have passed into the hands of Custodians for account of enemies. [§ 21.]

Claims against Governments in respect of wrongful acts are outside the scheme. [§ 21.]

The responsibility of the Government should extend to all the above-mentioned debts, including those which were doubtful before the war, if there had not been any formal indication of insolvency of the debtor before the war and if the debt had not at the outbreak of war been barred by a statute of limitations or a period of prescription [§ 23.]

ORGANISATION OF THE CLEARING SCHEME.

10. *Operations after the War.*—A "Clearing Office" under Government control should be created in each country taking part in the scheme. The procedure is indicated by which a claim would be communicated by the creditor to his Clearing Office, and presented to the debtor, who will admit or dispute it, in whole or in part. [§ 24, 25, 26.]

In all cases of difference the Clearing Offices, acting in communication with the parties, will endeavour to bring about a settlement. [§ 27.]

A claim may also be disputed by the Clearing Office on various grounds. [§ 28.]

11. Unsettled differences will be referred to an *Appeal Tribunal*, a joint body with an impartial president. Recommendations are made for facilitating the proceedings before this Tribunal. The decision of the Tribunal will be final. [§ 30.]

If a claim is decided to be outside the scheme, the creditor may prosecute it in any other way open to him. [§ 32.]

The creditor will have the option of taking his claim to the Courts instead of to the Appeal Tribunal. The parties may also agree to arbitration. In either case the decision will be accepted as determining the amount of the debt for settlement through the Clearing Office. [§ 32.]

12. As soon as the amount of a debt has been determined, by admission, or by a binding decision, the debtor's Clearing Office will credit the creditor's Clearing Office with the amount, and the latter will pay the creditor the amount due, with the interest (*see below*, No. 17), after deducting any sums due for commission and fees. [§ 33.]

The Clearing Office in the debtor's country will collect the amount due from him. Powers for enforcing payment through the Courts must be given to the Clearing Office by legislation. [§ 29.]

13. A Clearing Office should be created in each Dominion and in India and in individual Colonies or groups of Colonies as might be found expedient. [§ 34.]

These Clearing Offices should be at liberty to communicate direct with Enemy Clearing Offices as regards the amounts due; but settlement as between Governments should take place through the central British Clearing Office. The joint Appeal Tribunal should be common to the British Empire. [§ 34.]

14. The balance in the current account between the Clearing Offices should bear interest at 5 per cent. per annum. [§ 34.]

A commission should be charged on all payments made to persons claiming through the British Clearing Office, in order to meet (1) the working expenses of the scheme: (2) losses caused by failure to collect debts for which, under the scheme, the Government is responsible. A commission of 2½ per cent. will probably be sufficient for these purposes. A further fee should be charged where reference is made to the Appeal Tribunal. [§ 36.]

In order to discourage delay certain penalties are provided. [§ 37.]

15. *Steps to be taken during the war.*—For the reasons stated no steps should be taken during the war for the general collection of debts due to enemies, or for a distribution to creditors; but debtors should be at liberty to pay their debts to the

custodians, and should be free of any claim to interest for any period subsequent to such payment. [§ 39, 40.]

16. *Legislation.*—Legislation will be necessary to carry out the scheme; but it is premature to examine the form of this legislation in detail. [§ 41.]

QUESTIONS AFFECTING THE VALIDITY OR AMOUNT OF DEBT.

INTEREST.

17. It should be our policy to secure an agreement with the enemy countries that all debts, the payment of which has been suspended owing to the war, should bear simple interest at the rate of 5 per cent. per annum from the beginning of the war, or from the date at which the debt fell due (if later than the beginning of the war), except in cases where by contract or by law or by custom having the force of law, the debt bore interest at some other rate. In these cases the contractual legal or customary rate should continue to have effect during the suspension of payment. [§ 45.]

Interest should not be payable on sums due by way of dividends, interest or share of profits, or other periodical payments of a similar character. [§ 47.]

18. Recommendations are made regarding the special case of the Accepting Houses. [§ 50, 51, 52.]

If no general measure is adopted requiring the payment of interest, debts arising on acceptances should be specially dealt with and every effort should be made to obtain an agreement for the payment of interest on such debts at Bank of England rate or in any case at a rate of not less than 5 per cent. per annum. [§ 52.]

EXCHANGE.

19. All settlements of indebtedness should be upon a gold basis. An agreement to that effect should not apply retrospectively to debts which have been settled during the war except in cases where payments at a provisional rate of exchange have been made out of assets vested under the Trading with the Enemy Acts. In such cases an adjustment should be made in conformity with the rate agreed for post-war settlement. [§ 55, 57.]

NEGOTIABLE INSTRUMENTS.

20. It should be our policy to include in the Treaty of Peace agreements on the following points, such agreements to be enforced where necessary by domestic legislation in each country:—

Validity after the War.—If there are doubts in any country as to the validity, after the war, of negotiable instruments made before the war these doubts should be removed. [§ 59.]

21. *Non-Presentment, &c.*—Delay in presentment for acceptance or payment, notice of dishonour to drawers and endorsers, and protest should be excused where such delay is caused by the war, and not by the default, misconduct or negligence of the holder, and presentment, notice and protest within a specified period after the restoration of peace should have the same effect as presentment, &c., at the proper date. [§ 63.]

Neutral countries should be induced to adhere to a similar agreement. [§ 63.]

22. *Debtors for Acceptance Credits.*—Where a bill was accepted before the war under a credit granted to a client who became an enemy, any doubt as to the client's liability after the war should be removed. [§ 64.]

23. *Acceptances given during the War under Confirmed Credits given on behalf of Enemy Clients before the War.*—For the purposes of the contract between the Acceptor and the enemy client, the confirmation of the credit before the war should be deemed equivalent to the acceptance of the bill. [§ 65.]

24. *Periods of Prescription.*—As between enemies the period of the war should be excluded in calculating any period of prescription. Legislation providing for this should apply not only to bills of exchange but to all debts and pecuniary obligations similarly affected. [§ 66.]

25. *Sale of Security.*—The outbreak of war should be held to have conferred on a creditor holding security from an enemy, if he is unable to obtain payment of his debt when due, the right but not the obligation to sell the security without notice to the debtor, and there should be no claim on the part of the debtor on the ground that the price realised was insufficient, if the sale has been effected with reasonable care and skill. [§ 68.]

Legislation giving effect to the above recommendation should be passed in this country even if no agreement on the subject is reached. [§ 68.]

CONTRACTS.

26. It is necessary to include in the Treaty of Peace provisions as to what should be the effect of the war on pre-war contracts between enemies, such provisions to be enforced where necessary by domestic legislation in each country. [§ 73.]

27. All debts of every sort and other direct pecuniary obligations arising from a pre-war contract (for instance from a negotiable instrument) should remain in force and should be duly discharged when peace is restored. [§ 74.]

A contract should not be deemed to be dissolved merely by the fact that one of the parties to the contract becomes an enemy, if the effect of this dissolution would be to forfeit or cancel a right of property. [§ 75.]

With the above exceptions (and apart from certain special classes of contracts mentioned below) every pre-war contract between parties who have become enemies should be regarded as dissolved on the outbreak of war, without prejudice to the enforcement of any rights or obligations which arise from the part performance of the contract before the war began. This would mean that the contracts most usual in commercial transactions (contracts for sale and purchase of goods where the property had not passed, contracts of agency, affreightment, &c.) would all be dissolved. [§ 76.]

28. In the case of pre-war contracts of a mixed character containing some provisions conferring or defining rights of property, and other provisions creating obligations of the kind which, under these recommendations, would be dissolved, it is proposed :—

- (a) Where the two parts of the contract are separable, the provisions of the latter kind should be dissolved, while those of the former kind should remain valid.
- (b) Where the two parts of the contract are inseparable, the whole would be dissolved. [§ 77.]

INSURANCE AND REINSURANCE CONTRACTS.

29. In principle, but subject to the special recommendations which follow :—

- (a) Direct contracts of insurance should remain valid.
- (b) Contracts and treaties of reinsurance should be deemed to have been dissolved as at the beginning of the war. [§ 82.]

It should be our object to include in the Treaty of Peace provisions to the following effect, to be enforced, if necessary, by legislation or by administrative action, in each country :—

DIRECT CONTRACTS OF INSURANCE.

30. *Fire Insurance.*

- (1) Direct Fire Insurance contracts should not be deemed to have been dissolved at the outbreak of war.
- (2) Where, by administrative or legislative action, an insurance effected before the war has been transferred during the war to another Company, the transfer should stand good. The liability of the original insurer will

have ceased at the date of transfer, but the original insurer should be entitled to receive full information as to the terms of transfer, and to have these terms amended if they are not equitable. [§ 87.]

31. *Life Insurance.*

1. Contracts of Life Insurance (including contracts for endowment insurances, annuities, &c.) will not be deemed to have been dissolved by the outbreak of war. Any payments which have during the war become due thereunder should be recoverable after the war. [§ 90 (1).]
2. If a policy has lapsed owing to non-payment of premiums during the war, or has become void in consequence of the breach of any of the express conditions of the contract, the Assured will have the right to receive from the Insurer, as at the date of lapse or avoidance, the surrender value of the policy at that date. The Assured's claim should be presented within 12 months after the termination of the war. [§ 90 (2).]
3. In the case of lapsed or voided policies, it shall be legal for an insurer, if he so desires, to give to the assured more favourable terms than those defined in (2). The insurer should, for instance, be at liberty to pay a claim arising on a lapsed policy, subject to deduction of unpaid premiums, or to allow the revival of a lapsed policy on payment of overdue premiums. [§ 90 (3).]

If this liberty extends, as the Companies desire, to the payment of a claim on a death due to taking up arms against the Allies, such payments should be expressly legalised. [§ 90.]

If the insurer has remained responsible, even though the assured has ceased to pay his premiums, he should be given the right of recovering the unpaid premiums. [§ 98 (i).]

Inhabitants of occupied territories, who were insured with an enemy company and have been placed in such a position that it was impossible for them to pay their premiums, should have the right to require the enemy insurer to continue the contract, subject to the payment, immediate or deferred of premiums in arrear. [§ 98 (ii).]

32. *Life Assurance Contracts of British Companies Issued in Enemy Countries.*—Insurance Companies should be protected against the effect of enemy legislation which may have been passed modifying the conditions embodied in the policies. [§ 92.]

Inequitable Judgments.—If an agreement is arrived at as to the treatment of insurance questions in general, any judgments at variance with such agreement should be rectified. Insurance Companies should at least have protection against the effects of judgments which are shown to be clearly inequitable. [§ 94.]

Deposits in Enemy Countries.—In the event of Insurance Companies having deposits abroad being required by enemy Governments to increase such deposits, a reasonable period for complying with any legal requirements should be assured to them. [§ 97.]

33. *Marine Insurance.*

If a risk had been accepted and had attached before the war, the contract of insurance should not be deemed to have been dissolved, and the underwriter should pay a loss covered by the insurance, even if the loss occurred after the outbreak of war, and irrespective of whether the premium had actually been paid. If the risk had not attached at the time of the outbreak of war the contract should be deemed to have been dissolved at that date, with return of the premium, if it had been paid. [§ 100.]

The obligation to pay losses arising after the beginning of the war should not include cases where the loss was due to belligerent action by British or Allied Forces. [§ 100.]

Where a person who had insured marine risks with an insurer who became an enemy, effected a fresh insurance of the same risk, in whole or in part, such fresh insurance should be regarded as having been substituted for the original insurance, and there should be a settlement of premiums in proportion to the period remaining to run at the time of substitution. [§ 101.]

34. *Miscellaneous* (Accident, Employer's Liability, Fidelity, &c.).—Direct contracts existing at the beginning of the war should remain valid, and any reinsurances should be treated in the same manner as reinsurances of fire risks. [§ 102.]

REINSURANCE.

35. *Reinsurance Treaties of all kinds* between a British Company and an enemy Company should be regarded as dissolved at the outbreak of war in accordance with our law. [§ 103.]

36. *Fire Insurance*.—Reinsurances of fire risks should be deemed to have been cancelled as at the outbreak of war, premiums being apportioned accordingly. [§ 104.]

37. *Life Insurance*.—Reinsurances of life policies, current at the outbreak of war, should remain valid. [§ 105.]

38. *Marine Insurance*.—Where the cession of a risk had become effective, either specifically or under the terms of a treaty, and that risk had attached before the beginning of the war, the contract with regard to that risk should remain valid, even though the period of time or the voyage extended beyond the beginning of the war. [§ 106.]

Where an underwriter has reinsured afresh, in whole or in part, a marine risk originally ceded to a reinsurer who has become an enemy, such fresh reinsurance should be considered as having been substituted for the original reinsurance, with adjustment of premiums in proportion to the period remaining to run at the date of his substitution. [§ 107.]

39. Where companies operating in occupied territory have been unable to effect fresh reinsurances of various kinds of risks reinsured with enemy companies the original reinsurance should stand. [§ 108.]

GENERAL.

40. *Property*.—Insurance Companies have large property in enemy countries. All protection which can be given in other cases should be extended to them. [§ 109.]

41. *Inequitable Treatment*.—Allied insurers and insured in all classes of insurance should be protected against any modification of the conditions of their contracts effected by legislative or administrative action in enemy countries. [§ 110 (a).]

Any decision of an enemy Court which violates the just rights of Allied insurers or insured ought to be subject to revision. [§ 110 (b).]

42. *Interest*.—If it is decided that all debts, the payment of which has been deferred owing to the war, are to bear interest the decision should apply to payments of premiums or claims which fell due during the war and are paid after the war, and as it is not the ordinary practice to allow interest on claims the payment of which is delayed, it is proposed (as affecting the special case of insurance) that interest should begin to run one year after the date of the casualty. It may be necessary in the case of marine casualties to fix in some cases an estimated or an average date. [§ 111.]

CLOSURE OF CONTRACTS UNDER THE REGULATIONS OF A RECOGNISED EXCHANGE.

43. Where an Exchange or Commercial Association is of such standing that contracts are habitually made under its rules, and it has made special regulations dealing with pre-war contracts, such regulations should be confirmed, unless it can be shown that they are unreasonable. [§ 117.]

The action of the Liverpool Cotton Association with regard to cotton "future" contracts, which has been confirmed by legislation, should, by agreement, be made binding upon the enemy parties to the contracts. [§ 114.]

44. As contracts for cotton shipments known as "c.i.f. and 6 per cent. contracts" were in fact dissolved at the outbreak of war, it is not recommended that the

regulations relating to them (which were not compulsory), made by the Liverpool Cotton Association, should be confirmed. [§ 115.]

45. Action taken in accordance with the notice of the Committee of the London Stock Exchange of November 12th, 1914, which informed members that they were entitled to close transactions with enemies by sale or purchase should be confirmed. [§ 116.]

CONTRACTS RELATING TO PATENTS, &c.

46. For the purpose of applying the proposed rules concerning Contracts, Patents, Designs, Trade-marks and Copyrights should be regarded as property; but a pre-war licence for the use of a patent, design or copyright must be regarded as superseded by a Government licence granted under war legislation to the same person. [§ 118.]

We have the honour to be

Your Lordships' obedient servants,

H. BABINGTON SMITH (Chairman).

DONALD MACLEAN.

ALGERNON F. FIRTH.

W. PLENDER.

C. J. B. HURST.

BRIEN COKAYNE.

WALTER LEAF.

M. M. MACNAGHTEN.

C. J. STEWART.

M. F. LEVEY.

H. MEAD TAYLOR,

Secretary.

23rd January 1918.

APPENDIX.

[TRANSLATION.]

TECHNICAL CONFERENCE OF ALLIED DELEGATES ON THE SUBJECT OF
INSURANCE AND REINSURANCE.

PARIS, OCTOBER 16-21, 1917.

LIST OF DELEGATES.

President: M. SUMIEN, Legal Adviser, Head of the Reinsurance Department of the Ministry of Labour.

Belgium:

M. SAP, Secretary of the Ministry of Agriculture and Public Works.

France:

M. BOCQUET, President of the Committee of Marine Insurers.

M. CAUVIN, President of the General Syndicate of the Fire Insurance Companies with fixed tariffs.

M. PRETAYOINE, President of the Syndicate of Life Insurance Companies with fixed tariffs.

M. RAY, President of the Syndical Committee of Life Insurance Companies.

Great Britain:

SIR HENRY BABINGTON SMITH, Chairman of the Enemy Debts Committee, appointed by the Treasury.

Mr. RUSSELL, Officer in charge of the Insurance Intelligence Department of the Board of Trade.

Mr. PHELPS, Manager and Secretary, Equity and Law Life Assurance Society; Fellow and Member of Council of Institute of Actuaries; Chairman of the Life Offices' Association.

Mr. E. F. NICHOLLS, Underwriter, London Assurance Corporation; Chairman, Institute of London Underwriters.

Mr. ROBERTSON, Delegate of the Fire Offices' Committee.

Mr. J. SANDEMAN ALLEN, Manager, Union Marine Insurance Company; Marine Department of Phoenix Assurance Company; Deputy Chairman, Liverpool Underwriters' Association.

Italy:

Commander DELL'ABADESSA, Assistant Director General of Excise at the Ministry of Finance.

Japan:

Baron OTORI, Counsellor of the Japanese Embassy.

Portugal:

M. DE MELLO BARRETO, Deputy.

Roumania:

M. ALBERT MISRAKI, Manager of the Insurance Company "General" of Bukarest.

Russia:

M. BATCHEF, Commercial Attaché at the Russian Embassy.

Serbia:

M. ZORAN MARCOVITCH, Manager of the Agricultural Banks of Servia.

M. FOUQUES DUPARC,

Minister Plenipotentiary,

General Secretary of the

Comité Permanent International d'Action Economique.

THE CONFERENCE of Allied Delegates, having been requested by the Under-Secretary of State for Foreign Affairs, President of the Comité Permanent International d'Action Economique, to consider the course to be followed in regard to Insurance and Reinsurance Contracts entered into with enemies before the war:

I.

CONSIDERING that it would be prejudicial to the interests of the insured in every branch of insurance to declare their contracts cancelled, seeing that they may have found it impossible to insure afresh on the same conditions, more especially as regards Life insurance: that the position is not the same with regard to reinsurance (except in the case of undertakings situated in invaded territory, which had no possibility of effecting new reinsurances at the appropriate time), and that it is important in this matter finally to release Allied companies from their engagements with enemies:

RECOMMENDS AS FOLLOWS:—

1st. With regard to *Insurance contracts*:—

It is desirable not to pronounce the cancellation of contracts of insurance which were entered into before the war with the Enemy and which had become effective by the fact that the risk had begun to run before the war. It is consequently desirable that the Allied Governments should take all necessary steps with this object.

With regard, however, to Marine Insurance, if, on account of the uncertainty of the position, an assured whose underwriter has become an Enemy has taken out a new insurance covering in whole or in part the risk covered by the original contract, this new insurance ought to be considered as having been substituted in place of the former, with an adjustment of premiums in proportion to the unexpired period after the date of this substitution.

In regard to Life insurance, those companies which have continued during the war to cover the risk for the benefit of Enemy insured ought to be enabled to claim from the latter, if necessary by judicial process, the amount of the premiums unpaid during this period. Where an insured, on account of the war, has not fulfilled the conditions of his policy, more especially if he has not paid his premiums, and if he has thus lost all right to claim under his policies, he ought nevertheless to have the right to claim from his insurer after the war the surrender value of his policy as at the date of lapse, the insurer having at the same time the option of allowing to the insured more favourable conditions according to the circumstances.

Those insured, who, on account of the invasion of their country, have been unavoidably prevented from paying their premiums, ought to be able to claim from their Enemy insurer the revival of their contracts on payment, either immediate or deferred, of the premiums.

2nd. As regards *Reinsurances*:—

It is desirable on the contrary to pronounce the cancellation of treaties, policies, or other contracts of reinsurance governed by the laws of an Allied or Enemy country, as from the respective dates of the declarations of war, with a reciprocal adjustment of accounts, this cancellation being subject to the reservation set forth in the initial paragraph with reference to invaded territory.

Reinsurances, however, in force at the respective dates of the declarations of war, whether effected in pursuance of treaties or by policies or other contracts, should be governed by the following rules:—

In the Life branch reinsurances will be maintained in force until the extinction of the reinsured policies.

In the Marine branch every cession which became effective before the war, whether in pursuance of a treaty or otherwise, should be maintained in force if the risk reinsured had commenced to run before the war.

Following what has been said with regard to direct insurances, if, on account of the uncertainty of the position, an insurer has reinsured afresh, in whole or in part, a risk originally ceded to a reinsurer who has become an Enemy, such fresh reinsurance should be considered as having been substituted in place of the original reinsurance, with adjustment of premiums in proportion to the unexpired period after the date of this substitution.

In the Fire branch, reinsurances in force will cease completely as from the respective dates of the declarations of war, subject to *pro rata* return of premiums and immediate withdrawal of the portfolios.

II.

THE CONFERENCE, considering further that it is desirable in the common interest of insurers and insured of Allied nationalities, having regard especially to the importance of the deposits or guarantees which have been lodged in Enemy countries, and also with the object of remedying the deficiencies of the law at present in force, to set forth at this juncture the general rules which, together with the recommendations above recorded, ought to be provided for in the treaty of peace or in a supplementary agreement attached thereto, and put in force in each of the belligerent countries, Allied or Enemy, by legal enactment or by decree:

EXPRESSES THE FOLLOWING VIEWS:—

1st. If by administrative or legislative action or under pressure of necessity an insurance contract entered into before the war has been transferred from the original insurer to another insurer, such transfer should be upheld, and consequently the liability of the original insurer should cease as from the date of the transfer. The original insurer should have the right of claiming full information with regard to the conditions under which the transfer was effected, and if these conditions were inequitable they should be subject to revision.

2nd. Both insurers and insured should be protected against the effects of any alterations made during the war in the conditions of their policies in Enemy or invaded territories.

3rd. Any decision of an Enemy court which violates the legal or equitable rights of Allied insurers or insured should be revised.

4th. The magnitude of the material interests of Allied insurers and insured in Enemy or invaded territory should be especially brought under the attention of the several Governments, in order that these interests may receive special consideration in the terms of the treaties of peace.

ENEMY DEBTS COMMITTEE.

MEMORANDUM ON RETURNS OF DEBTS AND PROPERTY.

1. In accordance with the terms of our reference, we have considered the Returns made to the Custodians of Enemy Property, and to the Public Trustee and the Foreign Claims Office. It appears convenient to submit our observations upon these returns as a separate memorandum, since if our main Report is published it may be thought inadvisable to give publicity to the figures.

2. In order that what follows may be understood, it is necessary first to explain the nature of the returns, &c., on which the statistics are based.

DEBTS DUE TO ENEMIES AND ENEMY PROPERTY IN BRITISH TERRITORY.

(i) *Returns of property, debts, &c.*

Under the Trading with the Enemy Amendment Acts, 1914 (section 3 (1), (2)), and 1915 (section 2 (1), (2)), all persons resident or carrying on business in the United Kingdom (including companies) are required to make returns of:—

(a) *Enemy property held or managed by them.*

This includes all stocks and shares held for enemies, other than those included under (c) below.

(b) *Bank balances and deposits held for enemies and all debts of 50l. and upwards due to enemies.*

A return must also be made of—

(c) *Enemy holdings of shares, stock, debentures, debenture stock and other obligations of British companies or companies having a share-transfer office in the United Kingdom, and of enemy capital in firms in the United Kingdom.*

The Acts provide heavy penalties for failure to comply with these requirements, and it may be assumed that the returns are fairly complete.

Returns have also been called for in all parts of the British Empire, and the results have been reported in all important cases with the exception of Canada.

(ii) *Property vested in the Custodians.**United Kingdom.*(a) *Interest, &c.*—All sums due to enemies in respect of *interest, dividends and share of profits* must be paid to the Custodian. This includes sums due from Governments, corporations, and other public bodies, as well as those due from companies and persons; and also all sums due for payment off of securities, on maturity, drawing, &c. (Trading with the Enemy Amendment Acts, 1914, section 2 (1); 1915, section 1 (1)).(b) *Property.*—Property may be vested in the Custodian either by the Court (Trading with the Enemy Amendment Act, 1914, section 4), or by the Board of Trade (Trading with the Enemy Amendment Act, 1916, section 4). Large amounts of property have been vested by both forms of procedure, and partly converted into cash.(c) *Proceeds of liquidations.*—When a liquidation has been ordered by the Board of Trade any sums due to enemies, whether as surplus or otherwise, are transferred to the Custodian (Trading with the Enemy Amendment Act, 1916, section 1 (3)).

(d) *Securities held by London Branches of Enemy Banks.*—Large amounts of securities were, at the outbreak of war, in the custody of the London branches of the German and Austrian banks, mainly held for account of—

(a) *Enemy customers free from lien.*(b) *Enemy customers subject to lien on the part of the London branches.*(c) *Head offices and branches.*

Securities under (a) have been vested in the Custodian; certain securities under (b) and (c) have also been vested. Those held for head offices and branches—the ultimate beneficial owners of which are not known to the London branches although it is presumed that they are mainly enemies—will shortly be vested by the Board of Trade. To prevent the free delivery and release of these particular securities, in the event of peace being concluded before they could be vested, the Court, some months ago, made orders in respect of each bank, vesting the right, title and interest of the enemy bank to and in any such securities so held without particularising them; but such vesting was not to prejudice the sale of the securities and the collection of income thereon by the respective banks (other than the Deutsche Bank, which has discharged its liability to the Bank of England and paid or provided for the payment of its other non-enemy liabilities) to enable the funds so received to be utilised for the purpose of the licences, viz., repayment of the Bank of England advances, and, in the case of the Laenderbank, payment of its other non-enemy liabilities. The proceeds of sales and income will be available in the same way when the securities are vested by the Board of Trade. The estimated value of securities vested in the Custodian and delivered to him (excluding certain securities which possess no market quotations), or the proceeds of their sale if retained by him, are included in the cash and property stated to be in the hands of the Custodian. Securities not yet vested, or, if vested, undelivered to the Custodian, including securities held for account of head offices and branches, have been included in the returns of enemy property, but in this case also no value has yet been assigned to certain unquoted stocks.*

As will be seen from the statements below, the amount of cash now in the hands of the Custodians in the United Kingdom amounts to more than 19,000,000l. and in addition they hold property valued at about 7,500,000l.

British Dominions Overseas.

Custodians of enemy property have also been appointed in most parts of the British Empire. They hold cash to the amount of 1,936,000l. and property valued at 722,000l.

DEBTS DUE TO BRITISH SUBJECTS AND BRITISH PROPERTY IN ENEMY TERRITORY.

3. Under the Proclamation of 7th September 1916, all British subjects in the United Kingdom and outside the British Empire are required to make returns of all property in enemy territory and claims against enemy persons or enemy Governments. Similar returns have been required from British subjects in the British Dominions Overseas.

No penalty is provided for failure to make a return, and it may be taken as certain that the returns are incomplete. On the other hand, there is a natural tendency on the part of those who have made returns to place a high value upon their property and their claims; but we have no means of judging how far this tendency counterbalances the incompleteness of the returns.

Where the claims are against an enemy Government, they are lodged with the Foreign Claims Office. All other returns are made to the Public Trustee.

* The debts of the London branches of the enemy banks to the Bank of England (which exceed 4,000,000l.) have been incorporated in the returns; but the assets in this country of the London branches, including the available assets of the Deutsche Bank (a little more than 500,000l.) not required for the payment of non-enemy liabilities under the Bank's licence and deposited at the Bank of England to the order of the Treasury, are not dealt with in the returns.

(i) *Returns made to Foreign Claims Office.*

The returns made to the Foreign Claims Office fall into two classes:—

- (a) Claims for compensation for loss caused by wrongful acts of the enemy.
- (b) Claims in respect of property requisitioned, seized, sequestered or liquidated, or in respect of debts due from an enemy Government.

We do not deal with class (a), since claims of this character are entirely outside the terms of our reference.

The returns made under (b) have to be verified by a statutory declaration; but when the claim refers to property (such as concessions) of which the value is conjectural, it may be assumed that a high value has been stated.

(ii) *Returns made to the Public Trustee.*

- (a) *Debts, bank balances and deposits.*—In the case of debts due from enemies, sums below 50*l.* are not (as in the case of debts due to enemies) excluded from the returns.
- (b) *Property in enemy countries.*—In addition to securities of all kinds of which the documents of title are held in enemy countries, this class includes securities of enemy Governments, States and Municipalities, and also enemy industrial and commercial securities of all kinds, wherever the documentary evidence of title may be held. It also includes capital invested in enemy businesses; trade stocks in enemy hands; patents, copyrights and concessions; and cargoes on enemy ships.

CONSIDERATION OF THE RETURNS.

4. We have considered the returns from two points of view: (I) the amount, and the balance, of the debts and claims which would, if our proposals are adopted, pass through the Clearing Office; (II) the amount of enemy property, credits and claims which are within our control, and the amount of British property, credits and claims which are within enemy control: or, to put it in other words, the value of the *pledge* on each side.

(I) *Debts and Claims to be settled through the Clearing Offices.*

5. It will be seen from Table I that the debts, bank balances and deposits due to enemies (United Kingdom and Overseas returns together) amount to 21,509,000*l.*, while the corresponding figure for sums due to British subjects is 85,338,000*l.* The division of these sums as between the different enemy countries (in relation with the United Kingdom only) is shown in Table II, and as between different parts of the British Empire overseas (in relation with the enemy countries jointly) in Table III.

The figures contained in these tables must be taken with all reserve, and may have to be largely modified after the war, when verification becomes possible. But it is clear that the amount to be collected from enemy debtors is much larger than that to be collected from British debtors, and the disparity would be increased if the debts, bank balances and deposits in Allied countries in enemy occupation (8,812,000*l.*) were also included. It follows that the risks attending a Government guarantee are less, and the benefits greater for us than for the enemy. The situation may not, however, be the same in the case of some of the Allied countries.

We have proposed that, in addition to sums due in respect of debts, balances, &c., all cash held by the Custodians should pass through the Clearing Offices. The cash at present so held, including the overseas returns, amounts to 21,427,000*l.* In addition there is property valued at 8,365,000*l.*, part of which will be converted into cash before the end of the war, making, with the cash, a total of 29,792,000*l.* The counterpart of these sums is included in the sum of 65,792,000*l.* for claims against enemy Governments in respect of property requisitioned, property sequestered and liquidated, and debts. For the reasons already stated, the claims probably exceed considerably the sums that will be obtained in settlement; while on the other hand the cash and property in the hands of the Custodians do not represent by any means the whole of the claims that will be put forward by enemies. These two totals must therefore not be regarded as indicating the balance between the claims on both sides.

(II) *The Pledge.*

6. In order to arrive at some idea of the value of what we have called the *pledge* on each side, we must take into account property, as well as debts and claims.

It will be seen from Table I that there is no great disparity in the total value assigned to *property* on the two sides of the account. Including the Overseas returns, the enemy property in British territory (apart from that held by the Custodians) amounts to £104.5 millions, while British property in enemy territory amounts to £95.8 millions.

These figures cannot, however, be accepted without great reserve, for the following reasons:—

(a) A large part of the property consists of stocks and shares. Some of these have been included in the returns at their face value—which does not (except accidentally) correspond to the market value at any given time. Others have been valued at the market quotation at the time of the return, and may have changed in value since that date. Others have no market quotation, and either these have not been valued or a more or less arbitrary value has been placed upon them.

(b) The returns of property belonging to British subjects include stocks and shares, valued at 65,621,000*l.* This comprises stocks and shares amounting to 33,819,000*l.*, in respect of which the certificates or other documents of title are held in non-enemy countries. Where the securities are registered, the enemy control is complete; but it appears that about 85 per cent. are bearer securities, and since these can pass freely from hand to hand, it might be difficult for enemy Governments to apply to them any measures of retention or embargo which they were enforcing as regards enemy property in general. It is probable, however, that means might be devised by enemy Governments for discriminating against bearer securities which have been in Allied possession during the war. We, therefore, consider that these securities should not be excluded from the total.

A similar question hardly arises as regards enemy holdings of British securities, since few of such securities are to bearer; and when they are to bearer, there is generally no knowledge of where the bond or other bearer document is held, and therefore they do not appear in the returns.

(c) The returns of enemy property held in the United Kingdom (69,137,000*l.*) include all stocks, shares, &c., of which the documentary evidence is held in the United Kingdom for enemy account. Amongst these there are some enemy *registered* securities, over which the certificate or other documentary evidence does not give any effectual control; while even in the case of *bearer* securities the control is not always complete.

Property in Occupied Territory.

We have excluded from the summary—

- (a) Property of British subjects in Allied territory occupied by the enemy valued at 19,191,000*l.*, and
- (b) Property of enemies in German Colonies in British occupation at 25,000,000*l.*

Both these figures must be regarded as extremely uncertain, especially the latter.

7. The returns do not include enemy *merchant ships* detained in British ports, or British merchant ships detained in enemy ports at the beginning of the war. The enemy ships so detained exceeded in tonnage the British ships; but the value of the excess tonnage is not great enough to affect the balance materially. *Enemy-owned British Patents*, also, are not included. The number of United Kingdom patents granted to Germans largely exceeds the number of German patents granted to persons in the United Kingdom; but no estimate of their value can be framed.

8. When all allowance has been made for the uncertainty of the figures based upon the returns and for any factors omitted, it remains clear that, taking debts and property together, the value of the *pledge* in the hands of the enemy largely exceeds that of the *pledge* in British hands. This fact, if it is known to the enemy, necessarily limits the use which can be made of the *pledge* as a means of bringing pressure to bear on the enemy to secure proper treatment for British claims and property. If effectual pressure of this character is to be exercised, it must depend upon pledges of another character (*e.g.*, territorial).

We have no information as to the corresponding figures for the Allied countries; and we are therefore unable to say whether the balance would be altered if they were included and a *bloc* made of the whole.

9. The scheme recommended in our main Report will probably be criticised on the ground that it contemplates a Government guarantee for the payment of irrecoverable debts, including even those which were doubtful before the war. The result will be that where a British debtor has failed during the war, an enemy creditor will receive his claim in full, while British creditors will have received less. We do not consider, however, that the criticism is well founded. The guarantee of such debts will be a much greater benefit to British creditors of enemies than to enemy creditors of British subjects, since a much greater volume of debts is due to the former than to the latter, and also it appears probable that the percentage of irrecoverable debts will be greater in the enemy countries. These appear to us to be sufficient reasons for adopting our recommendation, even though the result may be in some individual cases anomalous.

10. In this connection we may point out that a substantial part of the pecuniary advantage arising from the payment of debts or claims which would not otherwise be recoverable will accrue to the Exchequer in the shape of Income Tax and Excess Profits Duty.

11. We recommended in our Interim Report that the existing prohibitions of payments to enemies, and of the restoration of enemy property, should be maintained until a satisfactory arrangement for the settlement of indebtedness had been concluded.

We may point out here that it is provided by section 7 of the Trading with the Enemy Amendment Act, 1916, that "any restrictions imposed by Act or Proclamation on dealings with enemy property shall continue to apply to property particulars whereof are or are liable to be notified to the Custodian in pursuance of section three of the Trading with the Enemy Amendment Act, 1914, as extended by any subsequent enactment, not only during the continuance of the present war, but thereafter until such time as they may be removed by Order in Council, and Orders in Council may be made removing all or any of those restrictions either simultaneously as respects all such property or at different times as respects different classes or items of property." This section applies both to property held and managed and to debts (*see* Trading with the Enemy Amendment Act, 1915, section 2). It is also provided by section 5 of the Trading with the Enemy Amendment Act, 1914, that money and property in the hands of the Custodians shall be dealt with after the war as may be directed by Order in Council.

It follows that the restrictions at present existing, so far as they come within the definitions of these sections, will remain after the restoration of peace, until a release is given by Order in Council.

We are not aware, however, that any prohibition of the restoration to the owner of enemy property held or managed in this country has been imposed by Statute or Proclamation. The Common Law prohibits intercourse with enemies, and consequently forbids the handing over to an enemy, during the war, of any property held for his account. But as soon as the war is over, and the owner of the property has ceased to be an enemy, the section quoted above would not apparently prevent the holder from delivering to him his property. Legislation may be required to provide against this, as the value of the property concerned is very large. If such legislation is undertaken, it might be well to provide also for the case of property in British territory owned by enemy subjects residing in British Territory, and possibly for debts under 50*l*.

H. BABINGTON SMITH (Chairman).

DONALD MACLEAN.

ALGERNON F. FIRTH.

W. PLENDER.

C. J. B. HURST.

H. MEAD TAYLOR,

Secretary.

6th February 1918.

BRIEN COKAYNE.

WALTER LEAF.

M. M. MACNAGHTEN.

C. J. STEWART.

M. F. LEVEY.

TABLE I.

SUMMARY of the Returns made to the Custodians of enemy property and to the Public Trustee and to the Foreign Claims Office, and of cash and property held by the Custodians, as at 31st December 1917.

The Summary comprises all the returns made in the United Kingdom, and includes statistics received on or before 31st December 1917, from the British Dominions Overseas. No returns have been received from Canada.

Debts due to Enemies and enemy property in British territory, viz. :—				Debts due to British subjects and British property in enemy territory, viz. :—			
<i>Debts, bank balances, and deposits :—</i>				<i>Debts, bank balances, and deposits (c) :—</i>			
	United Kingdom	£	£		United Kingdom	£	£
returns (a)	-	19,048,000		returns	-	82,842,000	
Overseas returns	-	5,461,000		Overseas returns	-	2,496,000	
			24,509,000				85,338,000
<i>Property (b) :—</i>				<i>Property :—</i>			
	United Kingdom				United Kingdom		
returns—				returns—			
(1) Stocks and Shares (British Government, Municipal and Companies) whether documents of title are held in enemy or in non-enemy countries	-	22,473,000		(1) Stocks, Shares and Securities of all kinds (documents of title held in enemy countries)	-	31,802,000	
(2) Other property (including Stocks and Shares other than those included in (1))	-	69,137,000		(2) Enemy Government, State, Municipal and other Stocks and Shares (documents of title held in non-enemy countries)	(d)	-	33,819,000
		91,610,000				65,621,000	
Overseas returns	-	12,919,000		(3) Other property (e)	-	27,810,000	
			104,529,000			93,431,000	
				Overseas returns	-	2,359,000	
							95,790,000
<i>Held by Custodians :—</i>				<i>Claims against Enemy Governments :—</i>			
	United Kingdom						
Cash—United Kingdom	-	19,491,000		Property requisitioned	-	12,606,000	
Overseas	-	1,936,000		Property sequestered or liquidated	-	52,988,000	
Property—United Kingdom	-	7,643,000		Debts	-	198,000	
Overseas	-	722,000					65,792,000
			29,792,000				
			£158,830,000				£246,920,000

(a) An estimated sum of 2,000,000*l*. is included in this figure in respect of debts below 50*l*. of which returns are not required to be made to the Public Trustee.

(b) The estimated value of enemy property in German Colonies in the occupation of His Majesty's Forces is stated to be 25,000,000*l*., but this figure is given with reserve and is not included in the Summary.

(c) Debts, bank balances and deposits in Allied territory in enemy occupation due to British subjects amount to the sum of 8,812,000*l*., and are not included in the Summary.

(d) So far as has been ascertained at present it appears that about 85 per cent. of these securities are to "bearer," and that the remainder consists of registered stocks or shares.

(e) Property of British subjects in Allied territory in enemy occupation is valued at 19,191,000*l*., and is not included in the Summary.

IX.

Imperial Bureau of Mycology.

MEMORANDUM PREPARED IN THE COLONIAL OFFICE.

(See pages 231-2 of [Cd. 9177].)

X.

Imperial Statistics.

CORRESPONDENCE AS TO THE RECOMMENDATIONS OF THE DOMINIONS ROYAL COMMISSION.

(See pages 232-236 of [Cd. 9177].)

XI.

Imperial Mineral Resources Bureau.

MEMORANDUM BY THE MINISTER OF RECONSTRUCTION.

(See pages 236-238 of [Cd. 9177].)

XII.

Imperial News Service.

MEMORANDUM BY THE MINISTER OF INFORMATION.

(See pages 238-9 of [Cd. 9177].)

XIII.

The Dye-Manufacturing Industry in the United Kingdom.

MEMORANDUM BY THE BOARD OF TRADE.

(See discussion on pages 96-104 of [Cd. 9177].)

THE position of the United Kingdom at the outbreak of war in respect of the supply of dyestuffs, which are of such vital importance not only to the textile but to numerous other trades, was most unsatisfactory, for practically the whole of the world's supply of synthetic dyes was in the hands of the Germans. It is true that there were a few works in this country engaged in the manufacture of dyes, but their combined output did not amount to one-tenth of the home demand, which totalled about 18,000 tons per annum.

The manufacture of synthetic dyes is by far the most important and characteristic of the "key" industries the control of which had been gradually allowed to fall into the hands of our present enemies, and the recovery of which is essential to our economic welfare during the period of reconstruction. Unless the United Kingdom is enabled by the establishment of a dye-manufacturing industry of adequate magnitude and scope to supply immediately the War is over as large and as satisfactory a range of dyed materials as any of our competitors, it will be possible for Germany to cripple our textile industries by refusing to supply dyes, or to charge us exorbitant prices for them, or to prevent the development of our newly-established dye industry by insisting, as a condition of supplying us with dyes which we cannot possibly do without, that we shall also buy from her other dyes which we are now in a position to manufacture for ourselves. Faced with such a position we might be compelled to purchase concessions from Germany by concessions on our part in respect of raw materials over which we have control. That is to say, unless the dye-manufacturing industry can be rapidly built up so as to supply by far the greater part of the requirements of the United Kingdom and the Empire, Germany will have a very powerful economic weapon in peace negotiations, and evidence is not lacking that she places much reliance upon this particular weapon.

Action already taken by His Majesty's Government, and the present position.

From the beginning of the War the problem thus indicated has received the constant attention of His Majesty's Government, and particularly of the Board of Trade, and in March, 1915, a limited company for the manufacture of synthetic dyes was established in the form of a producing association of dye consumers, with Government financial assistance. That company, British Dyes, Limited, has made considerable progress during the three years which have since elapsed, but the company has, nevertheless, not fulfilled expectations as regards the actual production of dyes. This has been due in part to the fact that its energies were necessarily diverted to a considerable extent to the manufacture of explosives. But extensive works have been erected, and development is still proceeding, and a number of the commoner dyes have been produced on a fairly considerable scale. Meanwhile, other companies, without assistance from the Government, have made much progress.

As a result of this State action and private enterprise about 24,000 tons of dyes are now being produced by British manufacturers, but it must not be assumed that the United Kingdom is even yet in a position to satisfy her own requirements. The dyes which are at present being manufactured are those which are required largely for war purposes and for meeting the needs of a small portion of the civilian trade. Under existing conditions, and in the absence of world competition, it is possible to utilize inferior dyes without much detriment to the dye-using trades, as it is generally realized in all markets that the limited range and unsatisfactory nature of the colours now available must be accepted for the present. As soon, however, as better and more varied colours are again obtainable, the demand for them will become so persistent, particularly from the export markets, that unless the United Kingdom is in a position to supply as complete and as satisfactory a range of coloured goods, and to a lesser extent of dye-stuffs themselves, as were available before the War, her position in international competition may be seriously prejudiced.

It is therefore necessary to examine more closely the lines along which progress has been made. In the first place, it may be stated in general terms that, as regards the commoner dyes, the present production is probably equal to about three-quarters of our normal requirements, but with the exception of a few isolated colours, none of which are being made in sufficient quantities, progress in the production of the special and more difficult dyes has been very slow. During the War it has been necessary to concentrate on meeting the immediate needs for War purposes of ourselves and our Allies; in this British manufacturers have been very successful, but the civilian or normal trade has perforce taken a secondary place, and has been catered for to a considerable extent by supplies of dyes from Switzerland, manufactured from British raw materials. The greatest development of the British manufacture has consequently been in the wool-dyeing series known either as acid wool colours or chrome and mordant colours, and of these it is estimated that at least eighty per cent. of what will be required under normal conditions will be obtainable from United Kingdom sources and the balance from Switzerland. On the other hand cotton and union dyes (direct dyes) are only available in limited quantities and are restricted in range, whilst printing colours, with few exceptions, are only obtainable from Switzerland. The development of the manufacture has been retarded partly by the scarcity of some of the necessary raw materials, e.g., toluol and methyl alcohol; partly by difficulties in respect of the supply of dye-making plant; partly by the shortage of trained chemists; and finally by the lack of co-ordination among dye-making firms, which has resulted in a certain amount of overlapping and in the failure to make the best use of the limited amount of technical skill available. Many of the colours which were introduced by the Germans in the few years immediately preceding the War were the products of an intensive system of research work, and their successful manufacture can only be attained by the application of scientific methods to the industry.

The preceding remarks apply more particularly to the dye industry in relation to the domestic requirements of the United Kingdom, but at the same time it is apparent that the industry cannot be confined to the United Kingdom alone for an outlet for its products if it is to develop on such a scale as to hold its own against German competition after the War; and this is still more the case if it is to assume a position even approximating to that formerly held by the German industry. In order to make good so far as possible the shortage of dyes in the Self-governing Dominions, India, and other parts of the Empire, and in Allied countries, and to obtain for the British dye manufacturers a footing there, the export of all dyes that

can possibly be spared has been permitted during the War, but the gaps caused in those markets by the cutting off of German supplies have so far been filled only to a limited extent.

The demand for dyes from various parts of the Empire is very considerable, the principal markets being India (which is by far the most important), Canada, Australia and New Zealand, and Egypt. The position and prospects of supplies to each of these markets is discussed in the Appendix to this memorandum.

Further Government assistance to the Dye-making Industry.

The whole position has recently been carefully reviewed by His Majesty's Government, having regard to the need for the more rapid development of the dye-making industry in the United Kingdom, in order that the great dye-using trades may be made independent of German supplies at the earliest possible date, and that Germany may be prevented so much as possible from making use of her position in regard to supplies of dyes as a counter in peace negotiations; and it has been decided that further assistance shall be given. That assistance is to be three-fold:—

(a) Financial assistance is to be given to dye manufacturers in the form of subsidies, advances on loan, and grants in aid of research; a maximum sum of £2,000,000 has been allocated for the three years 1918 to 1920, and the financial assistance will be conditional upon the observance by manufacturers of such directions as the Board of Trade may give in order to secure co-ordination of effort, the avoidance of overlapping, and increased attention to the manufacture of the special and more difficult classes of dyes, to which reference has been made earlier in this memorandum.

The most effective co-ordination can only be secured by a fusion of the more important manufacturing companies, and a scheme for the amalgamation of the two principal concerns, British Dyes, Limited, and Levinstein, Limited, is now under consideration, and has been approved by His Majesty's Government, subject to certain conditions as to the State control of prices and provision for the equitable distribution of products among the various classes of consumers.

(b) Special assistance in respect of plant and materials is being given to the industry, which is to rank in this regard as a war industry, and steps are being taken to improve the supply of trained chemists.

(c) In order to promote enterprise and encourage the investment of private capital in the industry, His Majesty's Government have decided that the importation of foreign dyes, except under licence, shall be prohibited for a period of ten years—since it is clear that the great German dye-making firms, which are now working in close combination, will make every effort to destroy the new British industry by a campaign of underselling, against which protective duties would be of little avail.

The expediency of the adoption of a similar prohibition throughout the Empire is a matter which the Board of Trade commend to the consideration of the Governments represented at the Imperial Conference.

Board of Trade,

June, 1918.

APPENDIX.

The following paragraphs set out the present position and future prospects of the supplies of dyestuffs to the principal consuming markets in the British Empire.

Canada.—From a comparison of the imports of artificial dyestuffs into Canada during the years 1913-14 and 1916-17 it would appear that, as regards quantity, Canadian consumers are able to obtain supplies to about four-fifths of their pre-War requirements. A large proportion of the dyestuffs have, however, been supplied by the United States.

Acid wool dyes and direct cotton colours are those most required, and there is every hope that the United Kingdom and the United States between them will be able to provide the bulk of both these classes of dyes. Owing to their proximity the American manufacturers possess a distinct advantage, of which they have not been slow to avail themselves, and as most dyestuffs are on the free list British manufacturers are afforded no special preference.

Australia.—The bulk of the dyes required in Australia are wool colours, and no great difficulty is anticipated in meeting a substantial proportion of pre-War

requirements of the Commonwealth from British sources. The principal British manufacturers have established agencies in Australia, and supplies are also being exported through the agents in this country of various Australian mills.

New Zealand.—The above remarks with regard to Australia apply equally to the case of New Zealand, though the requirements are, of course, much smaller.

South Africa.—The consumption of dyes in South Africa is very small, and, so far as can be seen at present, there should be no special difficulty in supplying the needs of the Union to a large extent. A considerable proportion of the colours required are for leather dyeing or the colouring of foodstuffs, and these colours are at present available in sufficient quantity.

Egypt.—Egypt is a growing market, which is likely to prove of considerable interest after the War. By far the most important colour is synthetic indigo, and arrangements are being made at the moment by Messrs. Levinstein, Limited, with a view to supplying the British product on the Egyptian market. There is also a considerable demand for aniline oil and salt, which is being met to a large extent.

India.—In 1913-14 India imported two thousand eight hundred and eighty-eight tons of alizarine dyestuffs, of which nearly two thousand five hundred tons came from Germany; four thousand three hundred and sixty-five tons of other coal tar dyes, of which about three thousand tons were imported from Germany; and three hundred and three tons of synthetic indigo, practically the whole of which was of German origin. The shortage of supplies in the United Kingdom has so far made it impossible for much to be done to meet these very large demands, and the situation of dye-users in India has consequently been one of very great difficulty. The development of the dye-making industry in the United Kingdom has, however, brought about some improvement in the Indian position, but the shortage is still very pronounced.

The demand in India is for bright colours, the most important single dye being alizarine red, which is required in the form of a twenty per cent. paste, this being the quality most easily handled by the native dyers. Many of the colours are not known by the natives by their European names, but are recognized by the mark or label of the tin containing them. Such tins frequently contain very small quantities ($\frac{1}{2}$ lb. or 1 lb.), and in former times the dyes were in many cases of very inferior strengths. It is feared that during the War British exporters have not always recognized the necessity for supplying the special packing demanded by the Indian trade, though the scarcity of tinplate has no doubt been a serious obstacle. There has also been a tendency on the part of some less scrupulous exporters to take advantage of the great need for dyes in India and to ship products of almost useless strengths at abnormally high prices, and this practice has to some extent prejudiced British manufacturers in the eyes of the Indian consumer. About the middle of last year the position in this respect became so serious that the Board of Trade was compelled to take action to deal with it, and in all cases evidence is now required that dyestuffs have been sold by the manufacturers for export before applications for licences are considered. Concurrently with this arrangements have been made with the British Alizarine Company to export large consignments of alizarine to India for distribution among actual consumers at fixed prices, and advantage is being taken of every shipping opportunity for exporting lots of about twenty tons both to Bombay and to Madras. It is estimated that, owing to the somewhat restricted demand for alizarine for the home trade, it would be possible at present to export at the rate of about five hundred tons per annum to India, providing the necessary freight is available. This quantity only represents about one-sixth of the total pre-War consumption of alizarine in India, but the output of the British Alizarine Company is being continually increased, and there is a reasonable prospect that, with active Government assistance for the development of the manufacture on the lines indicated in the final section of the preceding memorandum, it will be possible to meet the demands of India for alizarine to a much more considerable extent in the near future.

Another important colour is synthetic indigo, the manufacture of which is now being carried on in this country in considerable quantities by Messrs. Levinstein, Limited, at the works formerly owned by Messrs. Meister Lucius and Bruning, and if the supply of the necessary raw materials is maintained, Messrs. Levinstein should be able to provide a substantial proportion of the pre-War Indian consumption of about three hundred tons per annum. It is understood

that some difficulty has been occasioned in supplying synthetic indigo in the form generally used in India, but this is now being rapidly overcome. In the meantime, natural indigo is being substituted for the synthetic product to a large extent.

As regards other dyestuffs, it is not to be expected that for a few years to come this country will be in a position to meet fully the demands of India, but the importance of the Indian market is fully realized by British manufacturers, the principal of whom have already established their own agencies there. Unfortunately, the dyes most in demand are those required for cotton dyeing, as well as a number of special dyes producing very fast bright shades, and, as explained in the preceding memorandum, such dyes are only available at present in limited quantities. The difficulty is the same for the important sections of the United Kingdom textile trades using these colours as for the Indian users, and the rapidity with which the demands can be met is dependent on the success of the new measures which, as indicated in the memorandum, are now being taken by His Majesty's Government.

XIV.

Inter-Imperial Shipping.

MEMORANDUM BY THE BOARD OF TRADE.

(See pages 239-241 of [Cd. 9177].)

XV.

Proposals for an enlarged and improved system of Inter-Imperial Parcels Delivery as a means of encouraging Inter-Imperial Trade.

MEMORANDUM BY THE BOARD OF TRADE.

(See pages 241-2 of [Cd. 9177].)

XVI.

Imperial Court of Appeal.

MEMORANDUM BY THE RIGHT HONOURABLE W. M. HUGHES, PRIME MINISTER OF THE COMMONWEALTH OF AUSTRALIA.

(See pages 243-4 of [Cd. 9177].)

XVII.

Petroleum Position of the British Empire.

MEMORANDUM BY LORD HARCOURT.

(See discussion on pages 148-163.)

THE present world-War has demonstrated the numerous purposes for which the British Empire is dependent on petroleum and its products, and the many difficulties incidental to the provision of the necessary supplies from overseas have caused more than ordinary anxiety. The United Kingdom to-day is dependent on the United States for about eighty per cent. of its supplies, and it is obvious that the United States have the power to place this country in an impossible position should they desire to be unfriendly.

As regards the British Empire, it must be pointed out that sixty-five per cent. of the world's production to-day is in American hands, and it is notorious that the great Standard Oil Company of America is leaving no stone unturned to secure oilfields all over the world.

Of the remainder of the world's production, thirteen per cent. comes from Russia, and eleven per cent. from Mexico. The entire British Empire produces only just over two per cent. of the world's supply, of which four-fifths comes from India.

This huge and obvious gap in the Imperial requirements must be regarded as unsatisfactory in the extreme, and the more so when it is realized what an absolutely vital part oil plays in modern industrial economy on land, as well as in the activities of the British Navy and Mercantile Marine.

It is unnecessary to dilate on the results to the Empire if America at some future date should become hostile, or even only strictly neutral, in a great war. The Roumanian and Russian oilfields are, at present at any rate, under German domination, and at no time can be regarded as a certain source of supply for British Imperial requirements. Mexico and the Dutch East Indies, for different reasons, are also an uncertain factor.

Those who have studied this question, which is of ever-increasing importance, feel most strongly, therefore, that every effort must be made, now and in the future, not only to develop existing oilfields in British territories or spheres of influence, but to acquire new fields that will be from the outset in British commercial hands and under British control. It seems clearly to be of first rate importance that no foreign influence, under any guise, shall be permitted in British territories.

The exact steps to secure this will vary with different countries and circumstances, but it would seem proper to consider the advisability of introducing, in some form or another, legislation which will prevent persons or corporations of foreign origin acquiring concessions or prospecting licences over oil-bearing lands, whether actual or potential.

To exclude foreigners *eo nomine* would perhaps be unwise, as this might lead to similar or retaliatory action in other countries, but it is thought that it might be sufficient if all prospecting for, boring, and getting of oil in Crown lands was subject to a Government licence, with an understanding that such licences would not be granted to foreigners. Legislation on these lines is already under consideration in this country.

Lands, the surface of which has been leased for agricultural or building purposes, but under which oil is now found, would appear not difficult to deal with. Application for permission to bore for oil involves an alteration in the terms of the original title, to which the Government sanction has to be obtained, and it is suggested, for example, that such sanction might be withheld until the applicants showed that the enterprise was in British hands and likely to remain so.

Again, in regard to prospecting licences, it is thought that these should only be issued to persons or companies of British origin. The issue of a prospecting licence to a foreign person or corporation, which would then spend money in boring, only to be told they could not develop a successful bore, would, it is thought, create a legitimate grievance.

A satisfactory solution might in many cases be found to be in the introduction, *mutatis mutandis*, of a "Pipe-line Ordinance," such as exists to-day in Trinidad.* Oil cannot as a rule be got away from its site without conveying it over alienated or Crown lands. Even where a concession extends to the sea coast, or to the bank of a river, a small margin is generally reserved as Crown land. The proprietor of oil is, therefore, obliged to come to Government for compulsory powers to construct his pipe-line through other persons' lands. In the Ordinance quoted the grant of such powers is in the absolute discretion of "the Governor in Council," and can readily be refused where British control of the undertaking is not shown to exist.

The above is only the briefest indication of possible lines on which appropriate legislation might be considered, but it cannot be too strongly emphasized that it is absolutely vital to the British Empire to get a firm hold of all possible sources of petroleum supply, and the Government will welcome the introduction of any such measures in the Dominions as may tend to this end, and will be ready to offer any advice or assistance in the matter that may be sought.

HARCOURT

4th July, 1918.

* See Appendix.

APPENDIX.

Trinidad and Tobago.—Petroleum (Pipe-Lines).—No. 19, 1911.—31st May.

An Ordinance relating to the laying of pipes for the purpose of conveying oil.

(L.S.)

GEORGE R. LE HUNTE,
Governor.

12th June, 1911.

BE it enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows:—

1. This Ordinance may be cited as the Petroleum (Pipe-Lines) Ordinance. Short title. 1911.

2. The Petroleum (Pipe-Lines) Ordinance, 1910 (15—1910) is hereby repealed. Repeal

3. In this Ordinance the term "person" includes a corporation, whether aggregate or sole. Interpretation.

4. It shall not be lawful for any person to use or to lay and connect on any land in this Colony (whether such land is or is not the property of any such person) any pipes for the purpose of or capable of being used for conveying oil (hereinafter called pipe-lines) without permission first had and obtained. Permission to lay pipe-lines necessary.

Every person desirous of obtaining permission to use or to lay and connect any such pipe-line shall petition the Governor in Executive Council for leave to do so.

Such petition shall be accompanied by a plan of the lands showing, as nearly as may be, the names of the owners and occupiers thereof, and also the course and direction of the pipe-line and the position of any pumping stations, tanks, or other works in connexion with such pipe-line.

The Governor in Executive Council may thereupon, in his absolute discretion and upon such terms and conditions as he may think fit, grant permission to such petitioner—

(a) To use any pipe-line;

(b) To lay and connect any pipe-line over such lands as may be the property of the petitioner or over which he may have obtained way leave, and as to such lands, if any, as are not his property or over which he has not obtained way leave, to proceed under section 8 hereof.

5. If any pipe-line shall be used or laid and connected in contravention of the provisions of section 4 hereof, it shall be lawful for the Governor in Executive Council by notice in writing to be served upon the owner or occupier of any lands whereon such pipe-line may be laid or through which it may pass, to require that such pipe-line be immediately disconnected and rendered useless for the purpose of conveying oil. Notice to disconnect pipe-line laid without permission.

In any case in which the owner or occupier of any such land is not known or cannot be found, such notice may be served by affixing the same in some conspicuous place in such lands.

Should the requirements of any such notice not be complied with within forty-eight hours of the service or affixing thereof, it shall be lawful for any person authorized in writing by the Governor in Executive Council with such workmen and assistants as may be necessary to enter upon any land and carry out the requirements of such notice, and thereafter to re-enter from time to time to enforce and keep enforced such requirements without other or further authority.

Production of such written authority shall be sufficient evidence of the issue thereof, and no proof of the signatures thereon shall be necessary.

Any person obstructing the execution by any person so authorized, his workmen, or assistants of anything required to be done to give effect to the requirements of any such notice so long as the same shall be in operation is on conviction before any Stipendiary Justice of the Peace liable to a fine not exceeding twenty pounds.

6. If any person shall, after any pipe-line has been disconnected in accordance with the provisions of the last preceding section, reconnect the same, without having petitioned and received permission under section 4 hereof, such person shall be liable to a penalty of fifty pounds, and to a further penalty of ten pounds for each day during which such pipe-line continues so reconnected. Penalty for reconnecting without permission.

Recovery
of penalties.

7. All penalties under the last preceding section shall be sued for and recovered by action of debt as between subject and subject in any competent Court of civil jurisdiction in the name of the Attorney-General.

Notice to
land owner
of desire to
lay pipe-line.

8. Every person desirous of laying pipe-lines on the lands of other persons who has obtained permission to proceed as mentioned in (b) of section 4 hereof, shall give notice in writing to the owners of such lands of his desire to lay down such pipe-lines, and of his intention after the expiration of fourteen days from the date of such notice on a specified day to enter upon such lands for the purpose of fixing the location of such pipe-lines, and within fourteen days of such entry shall serve each of such owners with a statement in writing containing full particulars of the description and proposed location of such pipe-lines.

Assent to
proposal.

9. Any such owner after receipt of such notice and statement of particulars may by deed assent to the laying down of such pipe-lines upon payment of such compensation as may be agreed upon, and any assent so given shall be binding on all parties having any estate or interest in the land, subject to the following provisions:—

- (1) That any arrangement entered into by any owner under any disability or incapacity, or not having power to give such assent except under the provisions of this Ordinance, shall not be valid unless the same is approved by two valuers, one of whom is to be nominated by the person giving notice and the other by the owner; and each of such valuers, if they approve of the arrangement, shall annex to the document containing the same a declaration to that effect subscribed by them;
- (2) That any compensation to be paid by the person giving notice to the owner, in cases where such owner is under any disability or incapacity or has not power to assent to such application, except under the provisions of this Ordinance, shall be applied in manner in which the compensation coming to parties having limited interests or prevented from treating and not making title is applicable under the Land Acquisition Ordinance No. 42;
- (3) That any occupier or person other than the owner interested in the lands shall be entitled to compensation for any injury he may sustain by the laying of such pipe-lines, so that the claim therefor be made within twelve months after the laying of such pipe-lines, the amount of such compensation to be determined in the case of dispute in the manner in which disputed compensation for land is required to be determined by the Land Acquisition Ordinance No. 42.

Dissent from
proposal.

10. An owner shall be deemed to have dissented from the proposal to lay pipe-lines on his land if he fail to express his assent thereto within one month after the service of the notice on him under section 8 hereof; and in the event of such dissent there shall be decided by the Stipendiary Justice of the Peace of the district on the application of the person desiring to lay pipe-lines, unless such owner require the same within such period of one month to be decided by arbitration, the questions following; that is to say:—

- (1) Whether the proposed pipe-lines will cause any injury to such owner, or to the occupier or other person interested in the lands;
- (2) Whether any injury that may be caused is or is not of a nature to admit of being fully compensated for by money.

The result of any such decision shall be as follows, that is to say:—

- (a) If the decision is that no injury will be caused to the owner, occupier, or other parties interested in the lands, the person giving notice may proceed forthwith to lay the pipe-line;
- (b) If the decision is that injury will be caused to the owner, occupier, or other party interested in the lands, but that such injury is of a nature to admit of being fully compensated by money, the Stipendiary Justice of the Peace or arbitrators shall proceed to assess such compensation and to apportion the same amongst the parties in his or their judgment entitled thereto subject to the provisions contained in section 12 hereof; and on payment of the sum so assessed the person giving notice may proceed to lay the proposed pipe-line;

- (c) If the decision is that injury will be caused to the owner, occupier, or other party interested in the land, and that such injury is not of a nature to admit of being fully compensated by money, the person giving notice shall not be entitled to lay the proposed pipe-line.

11. Where any application is made under the last preceding section, the Stipendiary Justice of the Peace may summon the parties to appear before him at a time and place to be named in the summons, and, upon the appearance of such parties, or in the absence of any of them, upon proof of the due service of the summons, it shall be lawful for such Justice to hear and determine the question and amount of the compensation, and for that purpose to examine such parties, or any of them, and their witnesses upon oath, and the cost of every such inquiry shall be at his discretion and he shall settle the amount thereof. Such costs shall be recoverable in manner provided by sections 45 and 46 of the Ordinance No. 9, 1911, or any Ordinance repealing or amending the same.

12. Where the compensation assessed by the Stipendiary Justice of the Peace or arbitrators under the last preceding section is payable to any owner or other person who is under any disability or incapacity, or is not entitled to receive the same for his own benefit, or is absent from the Colony, such compensation shall be applied in the manner in which the compensation coming to parties having limited interests or prevented from treating and not making title is applicable under the Land Acquisition Ordinance, No 42.

13. If any difficulty or question shall arise as to the person entitled to the compensation under this Ordinance, the Stipendiary Justice of the Peace shall deposit the compensation payable in such case in the name and with the privity of the Registrar of the Supreme Court with the Receiver-General, to be placed to the credit of the persons interested.

14. Upon the application by petition of any person making claim to any moneys deposited under the last preceding section, the Supreme Court may, in a summary way, at the cost of the person giving notice under section 8 hereof, and after such notice as the Court may deem fit, and to such person or persons as the Court shall direct, order distribution and payment of such moneys according to the respective rights and interests of the persons making claim to such moneys or any part thereof, and may make such other order in the premises as to the Court shall seem fit.

15. After pipe-lines have been laid in accordance with the provisions of this Ordinance, it shall be lawful for the owner or person in charge of such pipe-lines, or any person authorized in writing by either of them, from time to time as it becomes necessary, to enter upon the lands through which such pipe-lines have been laid for the purpose of inspecting and with such assistance as may be necessary repairing the same, or in case such pipe-lines shall no longer be required, for the purpose of removing the same. Where pipe-lines are removed, the surface of the land shall forthwith be restored to its former condition. In default thereof such restoration may be carried out by the owner of the land, and the costs thereof shall be recoverable from the person liable therefor in the Petty Civil Court of the district without limit of amount.

16. Any person hindering, obstructing, or interfering with the exercise by any owner or person in charge of a pipe-line, or by any other person, or by the servants or agents duly authorized in writing of any such owner or person of any right of entry upon lands conferred by this Ordinance for the purpose of laying and connecting or repairing, inspecting or removing any pipe-line is on conviction before any Stipendiary Justice of the Peace liable to a fine not exceeding twenty pounds.

17. The provisions of this Ordinance shall not relieve any owner of a pipe-line of the liability to make compensation to the owner or occupier of the land or the agents, workmen, or servants of such owner or occupier for any damage or injury done or caused by the exercise or use of any power or authority hereby conferred, or by any irregularity, trespass, or other wrongful proceeding in the execution of this Ordinance, or by the breaking or bursting of any pipe, or by reason of any defect in any pipe: Provided that if before action brought in respect thereof such owner of pipe-lines make tender of sufficient amends to the party injured such last mentioned party shall not recover in any action.

Owners of
pipe-line to
be common
carriers.

18. It shall be lawful for the Governor in Executive Council to declare that any pipe-line or system of pipe-lines shall be deemed to be and be common carriers; and from and after the publication of such declaration in the *Royal Gazette* the owners or operators of every such pipe-line or system of pipe-lines shall at all times, in accordance with such rules and regulations as may from time to time be made by the Governor in Executive Council and published in the *Royal Gazette*, make full and adequate provision in regard to the carriage of crude oil, as such common carriers, and shall, if required so to do by the Governor in Executive Council, increase the carrying capacity of any such pipe-line or system of pipe-lines and the capacity of their pumping stations, tanks, and other appliances.

Provided always that such owners or operators shall not be bound to increase the capacity of their pipe-lines, tanks, pumping stations and other appliances save upon the requisition of producers of crude oil, who have given guarantees satisfactory to the Governor in Executive Council of the permanence of the supply of crude oil to be carried by such owners or operators, and that such owners or operators shall not be bound to carry crude oil below a flash point which may from time to time be fixed by the Governor in Executive Council, or otherwise than in accordance with rules and regulations to be made as aforesaid.

Provided also that such owners or operators shall not be obliged to place at any one time at the disposal of the public more than twenty per cent. of the full carrying capacity of their pipe-lines as then constituted.

Rules and
regulations.

19. The rules and regulations in the last preceding section mentioned may, among other things, fix a limit to the rates which the owners or operators of pipe-lines may charge for the carriage of oil, and the terms and conditions upon which such owners or operators shall be bound to carry oil, and may attach a penalty not exceeding twenty pounds to the breach by such owners or operators of any such rule or regulation, and provide a method for deciding all questions as to the performance of their obligations towards the public, including questions as to the damages payable by such owners or operators or others their liabilities for failure to perform such obligations. Such owners and operators shall execute in favour of the Colonial Secretary and his successors a bond with two or more sufficient sureties, to be approved by the Governor, in the sum of one thousand pounds, conditioned for the payment by them of any penalty or payment of any sum to which they may have become liable under such rules or regulations and for compliance with any such decision as aforesaid.

Bond.

Passed in Council this thirty-first day of May, in the year of Our Lord one thousand nine hundred and eleven.

ALFRED TAITT,
Acting Clerk of the Council.

Trinidad and Tobago.—No 27, 1915.

(L.S.)

I ASSENT.

S. W. KNAGGS,
Acting Governor.

14th December, 1915.

AN ORDINANCE to amend the Petroleum (Pipe-Lines) Ordinance, 1911.

(14th December, 1915.)

BE it enacted by the Governor of Trinidad and Tobago with the advice and consent of the Legislative Council thereof as follows:—

Short title
and inter-
pretation.

1.—(1) This Ordinance may be cited as the Petroleum (Pipe-Lines) (Amendment) Ordinance, 1915.

(2) In this Ordinance "public road" means any highway by land, dedicated whether by user or by grant express or implied or by resolution of the Legislative Council or by proclamation of the Governor to the public use, and whether for wheeled, bridle or foot traffic, up to and including the drains on either side thereof and also the surface of any land on the further side of such drains in so far as such

land is kept brushed, opened or cleared at the public expense, but does not include any highway or street within the limits of the City of Port-of-Spain or of the boroughs of San Fernando or Arima.

2. It shall be lawful for the Governor by licence in writing under his hand and expressed to be issued under the provisions of this Ordinance, to grant leave to any person (hereinafter called the licensee) to lay and connect a pipe-line in, over, under or across any public road subject to such terms and conditions as may be specified in such licence; and thereupon it shall be lawful for the licensee to lay such pipe-line subject to such terms and conditions as aforesaid, and to exercise all the rights, powers, and privileges conferred upon him by such licence without let or hindrance by any other person.

Licence to
lay pipe on
or under
public road

Passed in Council this third day of December, in the year of Our Lord one thousand nine hundred and fifteen.

J. M. FARFAN,
Acting Clerk of the Council.

XVIII.

Nationality and Naturalization.

MEMORANDUM PREPARED IN THE HOME OFFICE.

(See pages 244-5 of [C'd. 9177].)

XIX.

Reciprocity of Treatment between India and the Dominions.

MEMORANDUM BY SIR S. P. SINHA.

(See pages 245-248 of [C'd. 9177].)

XX.

Naval Defence of the British Empire.

ADMIRALTY MEMORANDUM.

(See discussion on pages 166-168.)

(Secret.)

THE Imperial War Conference which met at the Colonial Office on 30th March, 1917, passed the following resolution:—

"That the Admiralty be requested to work out immediately after the conclusion of the War what they consider the most effective scheme of naval defence of the Empire, for the consideration of the several Governments summoned to the Conference, with such recommendations as the Admiralty consider necessary in that respect for the Empire's security."

It was further suggested at the Conference that it would be of great assistance if the Dominion Governments could receive in advance a general outline of what the Admiralty consider best, so that the matter might be studied locally and no time be lost in coming to an agreement on principles.

2. In considering this large question the Admiralty have recognized that any suggestion put forward at the present time for the closer co-ordination of the naval force of the British Empire may be affected by constitutional changes decided upon subsequently. It is thought, however, that any such changes will be in the direction of associating the self-governing nations with questions of Imperial policy, and this has been borne in mind in approaching the subject.

3. It is assumed that the great struggle in which we are now engaged has proved to all concerned that it is upon the maintenance of its sea-power that the communities which form the British Empire must rely for their independent existence, and that, as in the past, the various Dominions are willing to share in the provision of the necessary force. Hitherto the choice before the Dominions has lain between forming separate fleet units or contributing men and money to the British Fleet.

Money contributions have always been unpopular. Fleet units are not within the reach of some of the Dominions, and can never be so economical or effective as would be one single fleet under one control in peace and war.

For the preparation of adequate and effective war plans, knowledge of what naval forces can be counted on with certainty, a peace distribution to meet probable war requirements, and the power to dispose the fleet as requisite *instantly on the development of a critical situation* are essential.

4. In its scattered nature the British Empire differs from all others. Its only lines of communication are by the sea, and the continuance during the War of its sea-borne traffic is necessary to its existence. The problem always before the Navy is to keep the waterways free.

The present war has dispelled much of the doubt surrounding the problem, but has also disclosed new difficulties. The primary duty of the Navy is now, as formerly, to sink the enemy or to drive him from the sea; and, so far as surface craft are concerned, it may claim to have been successful, but the new element which has arisen—the submarine—requires special measures, including a large increase of small craft in proximity to enemy bases and protection from the submarine cruiser at sea.

5. The strength and distribution of naval force in peace and its disposition on the threat of war are primary factors in maintaining that command of the sea without which no community within the Empire can hope to retain the freedom it now enjoys; and it will be one of the first duties of the Admiralty, on the conclusion of peace, to report on the needs of the Empire in these respects, and of the self-governing nations together to decide upon the best method of meeting them.

6. In view of the above considerations, the Admiralty, convinced as they are that a single Navy is necessary for the security of the whole Empire, have drawn up the following proposals for a naval organization, and, in so doing, have borne in mind that:—

- (i) With a single Navy the right of the nations within the Empire to partnership with the United Kingdom in the provision, administration, and disposition of the Fleet must receive full recognition.
 - (ii) Uniformity and avoidance of overlapping in administration and supply are essential if economy in personnel and *matériel* is to be attained.
7. The outline of the proposed scheme is as follows:—
- (i) The whole naval force of the Empire to form one Navy, all effective units being under the control of an Imperial Naval Authority, both in peace and war. Ships to be available to serve in any waters, and officers and men in any ship.
 - (ii) Local Navy Boards, each under a Minister for the Navy, to be established by the partner nations, working in co-operation with the Imperial Naval Authority but directly responsible to their own Parliaments.
 - (iii) The Imperial Naval Authority and its staff would deal with all questions of naval strategy, and subjects connected with the provision, equipment, efficiency, organization, and utilization of the Navy as a fighting force; promotions and appointments; principles of training; the formulation of requirements on which the annual Estimates would be prepared; types of ships and *matériel*, etc.
 - (iv) The Navy Boards would control all local naval establishments, such as dockyards, training colleges, and schools; undertake construction, repairs, and carrying out of works, and deal with the entry and training of personnel, the provision of *matériel* and supplies, and other subjects connected with the maintenance of the Fleet in a state of efficiency.
 - (v) The naval Commander-in-Chief on each station would be in command of all naval forces afloat, including local defence vessels when in commission.

The Imperial Naval Authority would keep the Ministers for the Navy informed of orders given to the Commander-in-Chief.

- (vi) Each nation would decide, with due regard to its resources, the extent to which it would share in the total cost of the Navy, and, as far as possible, control the expenditure of the money it provides.

After considering estimates, prepared annually, on a statement of the requirements of the Empire drawn up by its staff, the Imperial Naval Authority would make proposals as to the share of work each nation would take, subject to the approval of the respective Parliaments.

- (vii) Local resources would be developed and utilized for shipbuilding, repairs, provision of war *matériel*, etc., special attention being attached to interchangeability of all resources, personnel, *matériel* (especially munitions), designs, etc. Members of the Navy Boards would be required to keep in touch with the corresponding members of the Maintenance Committee of the United Kingdom Admiralty, with a view to ensuring uniformity in such matters.
- (viii) Officers and men would be entered for the Navy locally, with equal prospects of advancement.

Navy colleges for junior officers, depôts for newly-entered men, schools for gunnery, torpedo, etc., would be established by each Navy Board in the same way as at the home naval ports in England. The curriculum and examinations would be in accordance with the requirements of the naval staff, and as nearly as possible uniform, so that officers or men might qualify or requalify for special ranks or ratings in whatever part of the world they might be serving.

- (ix) Discipline, uniform, qualifications for promotion and advancement, etc., to be the same for all. The selection of officers for promotion and appointment to commands might be dealt with by a Committee of the Imperial Naval Authority.
- (x) The question of pay would require special consideration, and would depend largely on conditions prevailing after the War; the rates to be as uniform as practicable.

8. It is not possible in this paper to make any final proposals as to the composition, title, and constitutional status of the proposed Imperial Naval Authority. The manner in which a chain of responsibility is to be established between it and the nations of the Empire must, it is thought, be determined by the form in which it may be ultimately decided to give expression to the desire for the closer union of the Empire. The Admiralty, however, make the following tentative suggestions for covering what may, perhaps, be looked upon as a transitional period.

9. The Ministers of the Navy of the self-governing nations should attend whenever possible as members of the Imperial Naval Authority, and at least once a year, for the consideration of the annual Estimates and deliberation on large matters of policy.

In their absence they could be represented generally by the First Lord of the Admiralty, with whom they could be placed in direct communication, and through this channel they would be consulted and would have at all times an opportunity of expressing the views of their Governments on the distribution of the naval forces and other important questions affecting the squadrons in their waters.

10. These are, however, only temporary suggestions. On the political and constitutional side they would, it is hoped, be superseded by more continuous representation as part of the solution of the larger problems referred to. On the naval and professional side the staff of the single Navy would form the basis of an organization which would gradually become fully representative as officers drawn from the overseas nations acquired sufficient naval experience to fill the higher administrative posts on, or under, the Imperial Naval Authority.

11. If the proposed scheme is accepted by the other nations it should be possible to devise arrangements to enable India to share in it. It is recognized that the status of the Royal Indian Marine would require adjustment.

R. E. WEMYSS

17th May, 1918.

XXI.

Publication of Conference Proceedings.

MEMORANDUM BY THE SECRETARY OF STATE FOR THE COLONIES.

(See discussion on page 208.)

It will be desirable to publish in the form of the usual Blue Book so much of our proceedings as are not of a confidential character. It is not possible, without careful examination, to say precisely how much this will be, but I think the following may be taken as a fairly accurate indication:—

All the resolutions may, I think, be published, excepting No. 6, Enemy Debts, and, perhaps, the last part of No. 3, that is the list of raw materials. The first two paragraphs of No. 3 have already been published. No. 5, Imperial Meat Supplies, and No. 15, Channels of Communication, should, perhaps, not be published at present. They, in any case, require some consideration.

With regard to the proceedings themselves, I think we may publish practically the whole of the first two days, excepting a few passages containing some confidential figures. From the third, fourth, and fifth days we must omit, I think, the discussion on Raw Materials. The debate on Non-Ferrous Metals Act, except for a few passages, can, I think, be published. The sixth day, which deals with the imports and exports question, which is really a branch of the Raw Materials question, and the discussion on Imperial Meat Resources, cannot, I think, be published.

On the seventh day we can publish the Address to His Majesty with the reply; and the part about the Imperial Bureau of Mycology. The rest, which relates to Meat and Enemy Debts, is confidential. The whole of the eighth day can, I think, be published—it covers Double Income Tax, the Statistical Bureau, Imperial Mineral Resources Bureau, and News Service. The ninth day, which covers Dyes, Shipping, and Inter-Imperial Parcels Delivery, can, I think, be published, subject to the omission of certain passages containing confidential information. On the tenth day, Imperial Mineral Resources Bureau and Emigration can be published, but the discussion on Medals is not suitable for publication, and some at least of the discussion on Cable Communication will require careful editing. On the eleventh day we can publish the discussion about Imperial Court of Appeal. The twelfth day, which covers Meat and Channels of Communication,* must, I think, at present be omitted. On the thirteenth day the discussion on Temptations to Oversea Troops is not suitable for publication, but those on the Mineral Resources Bureau and on Preference in Government Contracts can well be published. On the fourteenth day the discussion on Naturalization, but not that on Demobilization or on Petroleum, can, I think, be published. On the fifteenth day, covering Reciprocity with India, and the discussion on the Imperial Court of Appeal, can be published. That on the Suez Canal Dues is clearly not suitable for publication.

If the Conference agrees to the general lines indicated I will have a Blue Book prepared at once and a proof circulated to all members of the Conference who are still in England.

XXII.

Trade Commissioner Service.

MEMORANDUM BY THE BOARD OF TRADE.

(See pages 249-251 of [Cd. 9177].)

* NOTE.—It was subsequently decided to publish the greater part of the debate on Channels of Communication.

XXIII.

Empire Cotton-Growing.

MEMORANDUM BY THE BOARD OF TRADE.

(Circulated to the Conference but not discussed.)

THE Board of Trade appointed in July, 1917, in consultation with the Foreign, Colonial, and India Offices, a Committee to investigate the best means of developing the growing of cotton within the Empire, and to advise the Government as to the necessary measures to be taken for this purpose. The Committee is representative of the Government Departments concerned, of the Governments of India, Australia, and South Africa, and of merchants, manufacturers, and workpeople; and representatives of Indian interests are about to be added.

The Committee have presented to the Board of Trade the appended Interim Report, with the request that it may be laid before the Imperial Conference. The Board of Trade concur in the recommendations contained in the report.

Board of Trade,

1st June, 1918.

Enclosure.

Empire Cotton Growing Committee,

Board of Trade, Gwydyr House,

SIR,

Whitehall, S.W.1, 16th May, 1918.

WE have the honour to present a brief Interim Report on the work of the Empire Cotton Growing Committee since its appointment on 25th July, 1917.

You will remember that the Committee was appointed in accordance with a recommendation of the Textiles Committee of the Board of Trade, supported by representations made by the British Cotton Growing Association and other bodies representing important trade interests.

The Committee includes representatives of India, Australia, South Africa, and Egypt, as well as of the Foreign Office, the Colonial Office, the India Office, the Board of Trade, the Imperial Institute, and various cotton trade associations, including those which represent labour.

We hope that such a report may be of interest to the representatives of the Self-governing Dominions and of India, who will be present at the approaching Imperial Conference, as showing what progress is being made in the study of the Empire's resources for the production of raw material for the cotton industry. The question of increasing the supply of raw cotton from Imperial sources is of vital interest to all parts of the Empire, as consumers of cotton goods or cotton seed products, if not as growers of cotton.

India.

Our attention was first drawn to India, which appeared to offer the best opportunity for a considerable increase of supply in the near future. Any investigation on our part was, however, rendered unnecessary by the appointment by the Indian Government on 27th September, 1917, of a committee to inquire into the whole situation with regard to the possibilities of extending the cultivation of long staple cotton in India. Our efforts were, therefore, for the time being confined to assisting in the selection of a suitable representative of the Lancashire industry to join the Indian committee, and this was done. The committee has, it is understood, almost completed its inquiries, and we trust that we shall be given an opportunity to advise on its report before action is taken by the Government of India.

The Sudan.

The Committee next turned its attention to the position in Egypt and the Sudan, and advantage was taken of the presence in this country of Sir Murdoch Macdonald, Adviser to the Ministry of Public Works in Egypt, and an official deputation from the Sudan, to obtain from them valuable evidence as to the whole position, both in Egypt and the Sudan. As the result of this evidence, the Committee joined the Sudan deputation in making representations through the

Board of Trade to the Treasury with regard to the urgent necessity for an immediate grant, in advance of the proposed loan of £3,000,000 which had been authorized just before the outbreak of war for railway and irrigation works in the Sudan. These representations were successful in securing a grant of £500,000, which will enable the Sudan authorities to undertake at once certain essential preliminary works in preparation for the actual work of construction of the main irrigation works upon which the Gezira scheme depends.

Egypt.

With regard to Egypt, it appeared that the drainage works in the northern delta, which had already been begun under Lord Kitchener, were suspended by the War, owing partly to scarcity of labour and partly to the impossibility of procuring the necessary engineering plant for the large pumping stations upon which the whole scheme turns. For this there is unfortunately no immediate remedy. It was pointed out, however, to the Committee that a large part of the work of constructing and realigning the main drains had already been done, and that if this work could only be carried a little farther it would at once begin to yield results which, although far short of the maximum benefit to be derived from the full scheme, would yield some return upon the capital already expended, and would add considerably to the area under cotton in Egypt, as well as to the yield of those areas affected by the scheme. The Committee therefore suggested that the Egyptian Government should be urged to take immediate steps for providing the funds necessary to complete these parts of the scheme in so far as this is possible under present conditions.

From further information, however, it appears that the difficulties in the way of proceeding even with the partial completion of these works are serious, apart from the question of finance. The demands of military operations in Egypt and Palestine have made heavy calls upon the labour supply available in Egypt, with the result that the military authorities are opposed to the execution under present conditions of any schemes which would involve a large amount of labour, as the works in question admittedly would. It appears, therefore, to be very doubtful whether works of such an important character even as those in question can be carried out under present conditions in Egypt; nor is there any reason to believe that these conditions are likely to be substantially modified in the immediate future.

In connection with the Egyptian crop the Committee caused to be prepared a special report on the world's supply of fine cotton, the position of which is becoming increasingly acute. The Committee felt that this was an important factor in the question of the restriction of acreage in Egypt, which had been decided upon by the Egyptian Government in August, 1917, owing to the shortage of foodstuffs and the urgent necessity of increasing the area to be put under cereals in Egypt during the winter of 1917-18. This report was accordingly forwarded to the President of the Board of Trade for communication to the Egyptian authorities and to the various departments of the home Government specially interested from the point of view of the supply of fine cotton for aeroplane cloth. It was pointed out that, in view of the scarcity of flax for the manufacture of linen for aeroplane cloth, it was important that steps should be taken to maintain and increase the supplies of fine cotton within the Empire.

Other Colonies and Dependencies.

With regard to the Colonies and Dependencies generally, it was agreed that the first step should be the issue of a circular letter or questionnaire by the Colonial Office to all Colonies which possessed possibilities for cotton-growing. The terms of such a circular were settled with the Colonial Office, and it was despatched on 31st August, 1917. Replies have now been received from all the Colonies and Protectorates, as follows:—

Africa.—Nigeria; Gold Coast; Sierra Leone; Gambia; Nyasaland; Uganda; Rhodesia; Zanzibar; British East Africa.*

West Indies.—Leeward Islands (Virgin Islands, Antigua, Montserrat, St. Kitts Nevis); Windward Islands (St. Lucia, Grenada, St. Vincent); Dominica; Jamaica; Barbados; Trinidad; Bahamas; Bermuda; British Guiana; British Honduras.

* A report has also been received from the Administrator of German East Africa.

Many of these replies may be described as mainly negative in their character, but valuable reports have been received with regard to Uganda, Nigeria, and Nyasaland, and from Sir Francis Watts with regard to the general position in the West Indies.

Reports have also been received as to the possibilities of Queensland, where considerable quantities of excellent cotton have been grown in the past, and renewed efforts have recently been made to encourage its cultivation. In various parts of South Africa, too, especially Natal and certain districts of the Transvaal, recent developments have given encouraging results, and there are signs of cotton-growing becoming a success on a commercial scale. We have also initiated inquiries into the prospects of cotton-growing in Mesopotamia, where experimental cultivation has been commenced under an officer of the Madras Department of Agriculture. All these will be more fully gone into.

Having now received these reports and also heard evidence from various witnesses as to the progress already made in cotton-growing in all parts of the Empire, our next step must be to proceed to consider, in view of the information thus obtained, what organizations will be required to develop on a really large scale the growing of cotton within the Empire.

Speaking broadly, the Committee is of opinion:—

- (1) That the present position of the world's cotton supply cannot be regarded by the Empire without misgiving, not only because the supply is altogether deficient, but also because the cotton trade of the Empire is, to a most undesirable extent, dependent upon an outside source for its supply of raw material, and
- (2) That if the proper measures be taken it is reasonably certain that in course of time a large proportion of the cotton required by the British Empire could be grown in its own territories.

These two propositions are very briefly treated in the following pages:—

I.—General Position of the World's Supply.

Even before the War there was already a deficiency in the world's annual cotton crops as compared with the actual consumption, which was only limited by the supply actually available.

The effect of the War was to reduce very materially the world's supplies of cotton, through a serious reduction of the acreage in all the countries which contribute most largely to the supply, while the demand after the first few months of the War exhibited a quite unexpected power of recovery. The resulting scarcity shows no signs of being materially mitigated while the War lasts; indeed, it is highly probable that the deficiency will be still more marked when peace brings a return to something like normal consumption among the Central Powers, who have been practically cut off from the world's supplies.

The War has brought home to the whole cotton trade the dependence of the industry upon the United States for its supply of raw material. While the general tendency of the American supply has been to increase, the annual returns show marked variations from season to season. These variations are mainly responsible for the violent fluctuations in price which have been experienced during recent years, and are most injurious to every branch of the cotton trade. Another point which must be taken into account in connection with the American crop is the increasing quantity which the American mills are taking for their own use.

An important advantage of the development of the resources of the Empire in medium cottons would be the provision of large areas for cotton-growing in different continents not subject to the same climatic vagaries as those of the American cotton belt, so that the world's supply would not be so largely dependent on the fortunes of the weather in one comparatively limited area.

II.—Possibilities of the Empire for Cotton-Growing.

The actual and potential sources of supply within the British Empire are India, Egypt, and the Sudan, the West Indies, and some of the African Colonies and Protectorates, more particularly Nigeria, Uganda, and Nyasaland. South Africa, Rhodesia, and Queensland have also proved their capacity to grow excellent cotton.

Of these, India offers the most promising prospects of a considerable increase of output within a reasonably short time; though the bulk of the Indian crop is of shorter staple than is required by the Lancashire industry and that of the British Empire outside India.

The cottons grown in the West Indies and in Egypt are each of a special character, which cannot at present be produced on a large scale in any other part of the world, and the exclusive possession of these sources of supply enables the British Empire to control to a great extent the spinning of fine counts of yarn which are mainly used in the production of the finer cotton materials. This is the more important inasmuch as there has been for many years a marked tendency, especially in Lancashire, towards the manufacture of finer fabrics, which require the use of longer stapled cotton.

In Uganda and in Nyasaland the cotton mostly grown has been of a grade intermediate between that of Egyptian and American. This grade is becoming increasingly important to the cotton industry, because in America of late years there has been a falling off in the production of similar cotton.

The Empire's supply of cotton is chiefly deficient in the medium grades which form the raw material of the great bulk of the Empire's trade. Of such qualities the Empire's total production has hitherto been trifling compared to the world's production; but there have been distinct evidences of development on a large scale of new areas for the production of such medium cottons. Both India and West Africa have proved their capacity to produce such cotton in much larger quantities than hitherto.

The share of the British Empire in the world's cotton supplies is brought out in the following table, which shows the various grades of cotton, from the finest to the lowest, and the share of the British Empire in each grade.

THE WORLD'S COTTON SUPPLY AND THE BRITISH EMPIRE'S SHARE IN IT.
(Based on pre-War figures.)

Grade and quality.	Where grown.	World's crop. Bales of 500 lbs.	Empire's share. Bales.	Per cent.
I. Best Sea Island...	Islands, South Carolina ...	8,000	4,000	38
	West Indies ...	4,000		
		12,000		
II. Sea Islands ...	Florida and Georgia...	70,000	552,000	89
	West Indies ...	2,000		
	Best Egyptian (Sakel, &c.)	550,000		
		622,000		
III. Egyptian ...	Egypt ...	700,000	760,000	70
	Sudan ...	20,000		
	Staple American	200,000		
	Nyasaland, Uganda, and East and South Africa	40,000		
	Peruvian ...	125,000		
		1,085,000		
V. American ...	United States of America ...	15,000,000	415,000	2.5
	Mexico ...	150,000		
	Brazil ...	300,000		
	Russia ...	500,000		
	West Africa ...	15,000		
	Levant ...	100,000		
	India ...	400,000		
	China and Corea ...	250,000		
		16,715,000		
V. Indian, &c. ...	India ...	4,500,000	4,500,000	64
	Russia ...	750,000		
	China ...	1,800,000		
		7,050,000		
		25,484,000	6,291,000	24.5

NOTE.—In the case of Egypt, the allocation between grades II. and III. is based on the most recent figures available.

From this it will be seen that, while the British Empire produces thirty-three per cent. of the very highest grade, eighty-nine per cent. of the second, and seventy per cent. of the third, its share of the great medium grade, the fourth, is only about two-and-a-half per cent., while in the lowest grade again it accounts for sixty-four per cent. of the total supply.

These facts have been generally known for some time past, and it was in view of them that the British Cotton Growing Association was formed in 1902. The Association, after much excellent and useful work, has reached the limit of its resources, and it has become necessary to consider how its work is to be carried on in the future. In the meantime there has become available much more knowledge of the scientific principles underlying the cultivation and improvement of cotton.

The Committee consider that the extension of cotton-growing within the Empire should form an integral part of any general plan for developing the resources of the British Empire and making it economically independent and self-supporting. It is undeniable that the measures which would lead to the extension of cotton-growing in various parts of the Empire, e.g., the extension and improvement of means of communication and transport, and the provision of irrigation facilities where necessary, are exactly the conditions which would lead to development in respect of every other crop which they are capable of producing, and at the same time would have the effect of raising the general standard of well-being of the inhabitants and increasing their purchasing power.

In view of these considerations, we are convinced that the appointment of the Empire Cotton Growing Committee, representative as it is of the various parts of the Empire, is amply justified. We are satisfied that the work of the Committee will expand and that its functions as a standing Imperial committee on cotton-growing should include the following:—

- (1) To secure the systematic collection, examination, and dissemination of information with regard to cotton-growing in various parts of the Empire, as well as in other parts of the world.
- (2) To consider and advise upon all questions affecting the development of cotton-growing within the Empire, including applications to or through the Imperial Government for funds for the execution of necessary public works, such as railways, roads, harbours, or other means of communication or transport, or of irrigation or drainage works.
- (3) To consider and advise upon the relative urgency and importance of schemes of development in connection with cotton-growing, and to secure the co-ordination of effort in different parts of the Empire.
- (4) To stimulate and secure the co-ordination of scientific research on cotton-growing, whether conducted by local Governments in the cotton-growing areas, or by suitable agencies in this country upon large questions of general interest to the Empire.

Much of this work has during recent years been performed in varying degrees by the British Cotton Growing Association and the Imperial Institute.

The Committee desire to put on record their appreciation of the admirable pioneer work done in many parts of the Empire by the British Cotton Growing Association, and in particular of the work of Mr. J. Arthur Hutton, Chairman of the Council of the Association, who gave to the Committee very full and most valuable evidence with regard to all the areas in which the Association has carried on its operations. The work of the Association in trying and proving the capabilities of various areas throughout the Empire for cotton-growing has been of value even where the results have been negative, as well as in other areas where success has been clearly established, and cotton-growing upon a more or less commercial scale has followed from the efforts of the Association. Whatever be the future of the British Cotton Growing Association, certain branches of its work must be continued in one form or another in areas where cotton-growing is not fully established upon an independent commercial basis. The question of the most desirable form of this future organization is still under consideration by the Committee.

The Committee also desire to acknowledge the valuable work done by the Imperial Institute in connection with cotton-growing, especially in examining and reporting on samples of cotton grown in various parts of the Empire and in maintaining reference collections.

In conclusion, we desire to express the hope that the President of the Board of Trade will commend the work of the Committee to all the members of the Imperial Conference, and will endeavour to secure their co-operation and support in furthering its main object, namely, the development of the British cotton-growing areas, so as to free the Empire as far as possible from its dependence upon foreign sources of supply.

I have, &c.,
HENRY BIRCHENOUGH,
Chairman.

The Right Honourable
Sir Albert Stanley, M.P.,
President of the Board of Trade.

XXIV.

Reply from His Majesty the King to the Address from the
Imperial War Conference.

(See pages 251-2 of [Cd. 9177].)

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Dominions

No. 70.

CONFIDENTIAL.

FURTHER CORRESPONDENCE

[1918 and 1919]

RELATING TO THE

TREATMENT OF ASIATICS IN THE DOMINIONS.

(In continuation of Dominions No. 63: continued by Dominions No. 74.)

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The correspondence has been arranged as indicated below.

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I. DOMINIONS.					
(A) RESOLUTIONS OF IMPERIAL WAR CONFERENCES OF 1917 AND 1918.					
Resolution XXII. (of 1917). Reciprocity of treatment between India and the self-governing Dominions.					
			1917		
1	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 504	August 7th	Requests that attention of Ministers may be invited to the discussion and resolution of the Imperial War Conference on the subject of reciprocity of treatment between India and the self-governing Dominions; presumes that Ministers will furnish their comments in due course.	1
2	India Office ...	—	September 15	Transmits copy of a despatch to the Government of India enclosing copy of correspondence regarding the Imperial War Conference resolution.	1
			1918		
3	Ditto ...	—	January 1	Expresses the hope that the Dominions Governments will forward their comments upon the memorandum laid before the Conference at an early date, as the Indian Government is awaiting their views.	2
4	To India Office ...	—	January 25	Suggests that owing to probable delay in transmission the Dominion Governments should be allowed a longer time for communicating their comments on the memorandum.	3
5	India Office ...	—	February 6	Recognizes that it is not reasonable to expect immediate answers from the Dominion Governments.	3
6	The Governor-General	New Zealand 109	May 21 (Rec. Aug. 2)	States, in reply to No. 1, that any further action will probably be taken by the Prime Minister and the Minister of Finance at the forthcoming Imperial War Conference.	3
7	Ditto ...	Union of South Africa 704	August 30 (Rec. Oct. 5)	States, in reply to No. 1, that the subject has received the consideration of Ministers, and was placed in the hands of Mr. Burton for discussion at the recent Imperial Conference.	4

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Resolution XXI. (of 1918). Reciprocity of Treatment between India and the Dominions.

1918					
8	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 476	August 28	Transmits copy of the Conference resolution and a memorandum by Sir S. P. Sinha. Assumes that His Majesty's Government will no doubt be kept informed of any action taken in the matter, and will receive observations by Ministers on the outstanding points in Conference memoranda as suggested in paragraph 4 of resolution.	5
9	India Office	—	October 11	Transmits copy of a confidential despatch to the Government of India respecting reciprocity in matters of immigration between India and the Dominions.	6
10	The Governor-General	New Zealand 224	November 6 (Rec. Dec. 30)	States, in reply to No. 8, that so far as Government of New Zealand is concerned, no administrative or legislative action appears to be necessary to give effect to the articles of agreement approved by the Imperial War Conference of 1918, respecting the admission of Indians into the Dominions, and explains why.	7

(B) MISCELLANEOUS.

1917					
11	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	April 17	States that the Government of India has adopted the same rules as to grant of passports and visas to India as obtain with regard to Australia.	9
12	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 252	April 21	Transmits copy of a notice issued by the India Office relative to the grant of passports and visas to India.	8

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1919					
13	To the Governors-General and Governor	Commonwealth of Australia, 195 New Zealand, 90 Union of South Africa, 260 Newfoundland 42	May 26	Transmits copy of Nos. 30 and 32.	9
14	India Office ...	—	October 9	Invites consideration of observations made respecting the position of British Indian subjects in mandated territories. Requests that an appeal may be conveyed to Dominion Governments concerned to take into consideration the local position of British Indian subjects in applying their own laws to mandated territories.	9
15	To India Office ...	—	November 21	Deals with points raised in No. 14; understands that it is the intention of the Dominion Governments to apply the existing immigration laws to mandated territories.	10

II. CANADA AND AUSTRALIA.

(A) CORRESPONDENCE ARISING OUT OF THE IMPERIAL WAR CONFERENCE RESOLUTIONS OF 1917 AND 1918.

I. CANADA.

1919					
16	To the Governor-General	35	January 28	Asks for statement as to action taken with regard to the admission into Canada of wives and minor children of Indians already domiciled there.	10
17	The Governor-General	275	March 27 (Rec. Apr. 14)	Transmits copy of an approved minute of the Privy Council, setting forth the views of Ministers as to reciprocity of treatment between India and the Dominions as regards immigration.	11

II. COMMONWEALTH OF AUSTRALIA.

1919					
18	The Governor-General	Telegram	May 6 (Rec. May 6)	Gives summary of Government's decisions regarding treatment of Indians.	13
19	Ditto ...	95	April 14 (Rec. June 17)	Transmits copy of communication from Acting Prime Minister as to the steps which the Commonwealth Government propose to take regarding entry of Indians into the Commonwealth.	14

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
20	To the Governor-General	318	August 30	Conveys purport of reply of the Secretary of State for India as to the steps to be taken by the Australian Government for the removal of Indian disabilities.	15

(B) MISCELLANEOUS.

I. CANADA.

			1918		
21	The Governor-General	Confidential	Nov. 20, 1917. (Rec. Jan. 4, 1918)	Transmits copy of letter from the Dominion Immigration Inspector enclosing press cuttings respecting Hindus and the Military Service Act.	16
22	India Office	—	January 30	States that under Army Council Instruction 1771, 1916, Indians in England and France are not liable to compulsory military service, and suggests that Indians in Canada should be placed on the same footing.	19
23	To the Governor-General	Confidential (2)	February 14	Transmits copy of No. 22.	
24	The Governor-General	51	January 23 (Rec. Feb. 20)	Forwards copy of an Order in Council on the subject of Military Service Act Regulations.	19
25	To India Office	—	March 9	Forwards, with observations, copy of No. 24, and points out that while the Indians referred to therein are North American Indians, the new Regulation is of general application.	20
26	To the Governor-General	Confidential (2)	July 4	States that an inquiry has been received from the Government of India as to whether there is any foundation for the report that Canadian Government have now granted permission for entry into British Columbia of wives of resident British Indians.	21
27	The Governor-General	Confidential	June 19 (Rec. July 11)	Transmits, with reference to No. 23, copy of an Order in Council ordering that natives of India of unmixed Asiatic descent shall not be called up for military service.	21
28	Ditto	Confidential	August 2 (Rec. Aug. 19)	States, in reply to No. 26, that there has been no change in the Immigration Regulations regarding Hindu women, but consent has been given in several recent cases to the admission of the wives and children of British East Indians.	22
29	Ditto	Confidential	October 9 (Rec. Oct. 29)	Transmits extract from the Vancouver Sun on the subject of the civic status of Orientals.	23

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
30	The Governor-General	213	March 10 (Rec. Mar. 27)	Refers to case of Babu Singh, who has applied for permission to bring his wife into British Columbia; she, by Indian law, has declared herself legally separated; asks whether such a law exists.	23
31	India Office	—	May 17	Transmits, with observations, memorandum by the Legal Adviser of the India Office on the question of the law of separation of husbands and wives in India; considers that there is no obstacle to the Canadian Government giving effect to Resolution XXI of Imperial War Conference 1918, and urges early action.	24
32	To the Governor-General	221	26 May	Transmits, for information of Ministers, copy of No. 31.	25

II. COMMONWEALTH OF AUSTRALIA.

			1917		
33	Foreign Office	—	20 September	Transmits copy of a despatch from His Majesty's Consul-General at Batavia relative to the admittance of British Indians into Australia.	25
34	India Office	—	September 22	Refers to No. 33, and asks for views of Secretary of State on the case.	27
35	To India Office	—	October 10	States, in reply to No. 34, that Secretary of State considers that it would be most ill-advised to force the Commonwealth Government into a declaration of policy with regard to the entry of Indians into Australia.	27
36	The Governor-General	362	October 13 (Rec. Nov. 28)	Encloses copy of a letter from the Prime Minister to His Majesty's Consul-General at Batavia indicating the policy of the Commonwealth Government with regard to the admittance of British Indians into Australia.	27

III. UNION OF SOUTH AFRICA.

(A) CORRESPONDENCE ARISING OUT OF THE IMPERIAL WAR CONFERENCES OF 1917 AND 1918.

			1919		
37	The Governor-General	Confidential	January 8 (Rec. Feb. 21)	Gives his views on the question of the treatment of British Indians in the self-governing Dominions, and describes the effect the grant of trading licences to Indians is producing in the several Provinces.	29

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
38	India Office ...	—	May 15	Expresses appreciation of discussion and résumé contained in No. 37 on the questions affecting the position of British Indians in the Union of South Africa, which he proposes to send to the Government of India while awaiting the views of the Union Government.	37
39	To the Governor-General	Confidential	May 26	Conveys purport of No. 38	37

(B) UNION RAILWAY REGULATIONS.

			1918		
40	The Governor-General	Telegram	(Rec. Jan. 4)	Reports protests by Indians and coloured people against a section of new Union Railway Regulations: is of opinion that this section should be amended, and has made private representations to Prime Minister and Minister of Railways.	38
41	Ditto ...	Telegram	(Rec. Jan 10)	Reports that Minister of Railways has decided to withdraw obnoxious part of section of the new Union Railway Regulations.	38
42	To India Office ...	Confidential	January 12	Transmits copy of No. 40, and copy of Act 22 of 1916.	38
43	To Foreign Office ...	Confidential	January 12	Transmits, with explanation, a copy of No. 40: encloses also a copy of Act 22 of 1916.	39
44	The Governor-General	17	January 16 (Rec. Feb. 19)	Forwards documents relating to section 19 of the Railway Regulations affecting coloured persons.	39
45	Mr. H. S. L. Polak	—	February 19	Encloses cuttings from <i>Indian Opinion</i> showing that in response to widespread protests sub-sections (d) to (g) of section 19 of new South African Railway Regulations have been withdrawn: asks that Union Government may be requested to withdraw remaining sub-sections.	41
46	The Governor-General	Confidential	January 16 (Rec. Feb. 20)	Forwards, with reference to Nos. 40 and 41, telegraphic correspondence with Minister of Railways respecting those provisions of the new Railway Regulations which affect coloured persons: states that the Regulations were published on 14th December, 1917.	42
47	To the Governor-General	Confidential	March 1	Inquires why certain provisions of the Railway Regulations regarding coloured passengers, to which exception was taken in 1910, had not been deleted: asks for views on sections 19 (d) and 234 (b) of the new Regulations.	43

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
			1918		
48	To Mr. H. S. L. Polak	—	March 2	States that the remaining sub-sections of section 19 of the new South African Railway Regulations appear to follow the agreement arrived at between Mr. Gandhi and the Transvaal Government in 1910.	44
49	To India Office ...	—	March 2	Transmits copies of Nos. 44 to 48.	44
50	Mr. H. S. L. Polak	—	March 18	States that the agreement with Mr. Gandhi, in 1910, applies only to the Transvaal; and protests against application of regulations of 1910 to entire Union. Encloses, for information, extracts from <i>Indian Opinion</i> .	44
51	To the Governor-General	Confidential	April 6	Transmits, with observations, copies of Nos. 45, 48, and 50. Points out that Mr. Polak's contention that the arrangement with Mr. Gandhi in 1910 did not apply to the Cape Province, is correct, and asks for Governor-General's views.	45
52	The Governor-General	Confidential	May 15 (Rec. July 2)	States, in reply to No. 47, that the attention of the Minister of Railways is being drawn to the discrepancy between the Regulations and the Tariff Book: reports withdrawal of Regulation 234b, and slight alteration of 19d, but states that the Indians are still not satisfied.	45
53	Ditto ...	360	May 7 (Rec. July 4)	Transmits copy of Government Notice of 17th April quoting revised Regulation No. 19 of Section 4, Act 22, 1916.	46
54	Ditto ...	361	May 7 (Rec. July 4)	Forwards copy of correspondence with the British Indian League, Johannesburg, respecting protest by the League against revised Regulation 19, Section 4, Act 22, 1916.	47
55	Ditto ...	Confidential	August 7 (Rec. Oct. 2)	Transmits, with observations, copy of letter from Acting Minister of Railways covering an account of a meeting between railway authorities and a deputation from certain Indian Associations respecting the new Railway Regulations affecting the coloured population: transmits also copy of a report of a judgment given in case of <i>South African Railways v. M. D. Bharooche</i> , and an opinion thereon by the solicitors to the South African Railways.	48
56	India Office ...	—	October 2	Transmits, with observations, copy of a letter from Mr. H. S. L. Polak calling attention to the treatment of Mr. Cachalia and party by the South African Railway officials.	57

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(C) OWNERSHIP OF FIXED PROPERTY BY INDIANS OR INDIAN COMPANIES IN THE TRANSVAAL.

1919					
57	To the Governor-General	105	March 12	Transmits for Ministers' observations copy of a telegram from the Transvaal British Indian Association protesting against the action taken against Indian merchants at Krugersdorp under the Transvaal Precious and Base Metals Act of 1908.	59
58	The Governor-General	Telegram	Rec. Mar. 31	Reports on the circumstances and developments attending the grant of an injunction to the Krugersdorp Town Council restraining a European firm from leasing to an Indian a shop on proclaimed land.	59
59	To India Office ...	—	April 8	Transmits copy of No. 58.	60
60	To the Governor-General	Telegram	April 8	Asks whether he would wish Nos. 37 and 58 to be communicated to General Botha.	60
61	The Governor-General	Telegram	(Rec. Apr. 12)	Thinks, in reply to No. 60, that General Botha should be shown, unofficially, Nos. 37 and 58; states that Committee appointed to inquire into Indian disabilities have finished the evidence and will meet on Monday to consider their report.	61
62	India Office ...	—	April 15	Views with grave concern the possibility that Indians residing on proclaimed land may become liable to eviction at instance of local authorities: suggests that the Union Government should be addressed by cable as to the possibility of so interpreting section 131 (1) of the Transvaal Precious and Base Metals Act as to afford protection for the vested rights of Indians acquired since the passing of the Act.	61
63	The Governor-General	Telegram	April 17 (Rec. Apr. 20)	With reference to No. 61 quotes, and comments upon, two resolutions adopted by Select Committee.	62
64	To General Botha	—	April 21	Transmits, with remarks, copies of Nos. 8, 37, and 58.	62
65	To India Office	—	April 22	Transmits copy of Nos. 60 and 61 and states that Nos. 58 and 37 have been communicated privately to General Botha.	63
66	To General Botha	—	April 29	Transmits copy of No. 63.	63
67	To India Office ...	Confidential	April 29	Transmits copy of No. 63 and states that in the circumstances Lord Milner has thought it unnecessary to make the telegraphic inquiry suggested in No. 62.	63

Serial No.	From or to whom	Despatch No., &c.	Date.	Subject.	Page.
1919					
68	The Governor-General	Telegram	May 13 (Rec. May 16)	States that the report of the Select Committee on lines foreshadowed in No. 63 submits draft Bill to give effect to its recommendations, and that the Bill has been introduced and put down for second reading on 15th May.	63
69	India Office ...	—	May 27	Quotes the two recommendations of the Select Committee in No. 63, and asks that the Secretary of State will use his influence to avoid any alterations of Transvaal Law III. of 1885 as to ownership of fixed property.	64
70	Ditto ...	—	May 28	Transmits correspondence with Mr. Polak respecting a protest from the Transvaal British Indian Association against the proposed Trading Licences Bill.	64
71	The Governor-General	Telegram Confidential	May 28 (Rec. May 28)	Reports proceedings in House of Assembly on second reading of Trading Licences Bill and in Committee: states that new clause was passed empowering refusal of any application for new licence by an Asiatic not carrying on business within area concerned on 1st May, 1919: considers clause most objectionable.	65
72	Ditto ...	Telegram Confidential	June 6 (Rec. June 6)	Reports as to the insertion of a new clause in Bill referred to in No. 71 imposing disability on Asiatics by name: has reason to hope that the Senate will delete this clause, and, if so, the House of Assembly will acquiesce.	66
73	Ditto ...	Telegram	6 June (Rec. June 10)	Forwards message to His Majesty from the Transvaal British Indian League requesting him to withhold sanction to Bill depriving British Indian subjects rights to hold landed property and obtain trading licences.	67
74	Ditto ...	Telegram Confidential	June 11 (Rec. June 11)	States (with reference to No. 72) that Senate in Committee has deleted new clause: otherwise there is no change in the Bill.	67
75	Mr. H. S. L. Polak	—	June 12	Forwards correspondence with Mr. Gandhi and Mr. Gorges as to the proposed legislation respecting Transvaal Indians.	67
76	To India Office ...	Confidential	June 12	Transmits copies of Nos. 71 and 72.	72
77	Mr. H. S. L. Polak	—	June 13	Sends details respecting proposal to exclude Natal Indians from the municipal franchise.	73
78	The Governor-General	Telegram Confidential	June 13 (Rec. June 13)	Reports that the House of Assembly has acquiesced in the deletion of the new clause referred to in No. 74.	73

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
79	The Governor-General	Telegram	June 16 (Rec. June 16)	States, with reference to No. 78, that the Transvaal Indian Association and other smaller associations are urging him (the Governor-General) to withhold assent to Bill although new clause was deleted: proposes, for reasons stated, to assent to Bill when submitted.	73
80	To the Governor-General	Telegram	June 17	Approves course proposed in No. 79.	74
81	India Office	Confidential	June 18	Encloses, with reference to No. 69, copy of telegram from the Viceroy of India and trusts that any fresh legislation of destructive character respecting Transvaal Indians will be limited to the narrowest possible bounds.	74
82	The Governor-General	Telegram	June 21 (Rec. June 21)	Reports interview with representatives of the Transvaal British Indian Association respecting the Trading Bill to which he has now signified assent.	75
83	To India Office	—	June 25	States, in reply to No. 81, that the clause of the Asiatics (Land and Trading) Amendment Act respecting trading licences has been deleted, and that the Bill has now received the assent of the Governor-General.	76
84	To Mr. H. S. L. Polak	—	June 25	Acknowledges Nos. 75 and 77, and states with regard to the Asiatics (Land and Trading) Amendment Act that the clause respecting trading licences has been deleted.	76
85	The Governor-General	Confidential	June 13 (Rec. July 2)	Reports the progress of events since the appointment of the Select Committee on Indian Disabilities, the views expressed by the Governor-General to the Committee and the progress of the Bill through both Houses.	78
86	To India Office	Confidential	July 18	Transmits copy of No. 85.	85
87	To the Governor-General	Confidential	July 18	Acknowledges No. 85, and expresses appreciation of steps taken to safeguard Indian interests during the passage of the Asiatics (Land and Trading) Act.	86
88	The Governor-General	—	October 17 (Rec. Nov. 14)	Encloses copy of a letter from Sir T. Watt (Minister of the Interior) covering a memorandum from Mr. Plowman, Administrator of Natal, setting forth the position with regard to the question of the exclusion of Natal Indians from the municipal franchise.	86

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
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(D) COMMISSION OF INQUIRY INTO INDIAN QUESTIONS.

			1919		
89	India Office	Confidential	July 26	Desires to be informed of any action taken with regard to the proposed Commission of Inquiry into Indian disabilities: suggests that a representative of the Indian Government be deputed to South Africa to give official evidence as to the bearing of the issues before the Commission on India: transmits telegraphic correspondence with the Viceroy on the subject.	88
90	To the Governor-General	Telegram Confidential	August 1	States that Secretary of State for India desires early information of any steps proposed in connexion with the Commission of Inquiry into the position of Indians in the Union; he hopes that counsel will be allowed to represent India.	90
91	To India Office	—	August 2	Transmits copy of No. 90 and concurs in suggestion that a representative of Government of India should be deputed to South Africa in connexion with the proposed Commission.	90
92	To the Governor-General	Confidential	August 7	Transmits copy of Nos. 89 and 91, and of question on the subject of the position of Indians in the Union asked in the House of Commons and the reply thereto.	91
93	The Governor-General	Telegram Confidential	August 7 (Rec. Aug. 9)	States with reference to No. 90 that he had previously received private telegram from Viceroy of India and had replied that the question is under consideration: has communicated correspondence to General Botha, who is on his way to Pretoria.	91
94	India Office	—	August 11	Transmits copy of telegraphic correspondence with the Viceroy of India: in view of the possibility of retaliatory measures by the Indian Government urges that representations should be made to the Union Government as to the effect of their attitude on Imperial policy: submits views as to the scope of the inquiry by the proposed Commission and asks to be informed of date of first meeting as Indian Government desires to send a deputation.	92
95	To India Office	Confidential	August 14	Transmits copy of No. 93.	93
96	India Office	—	August 20	States, with reference to No. 91, that Indian Government are anxious to depute one or more representatives to South Africa in connexion with the proposed Commission, and requests concurrence of Union Government.	94

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
97	To the Governor-General	Telegram Secret	August 25	Communicates desire of Indian Government to send deputation to represent their interests on the Commission of Inquiry into the position of Indians in South Africa: makes representations as to the effect on Imperial interests of the Union Government's policy, and requests him to do what he can to induce the Union Government to meet the wishes of the Secretary of State for India.	94
98	To India Office ...	—	August 26	Transmits copy of No. 97.	94
99	The Governor-General	Telegram	September 19 (Rec. Sept. 21)	States that Ministers have decided to defer appointment of a Commission till later, and there is no prospect of its meeting before the end of the year.	95
100	To India Office ...	—	September 29	Transmits copy of No. 99.	95
101	To the Governor-General	Telegram	September 23	Communicates message from Mr. Montagu (Secretary of State for India) suggesting that Mr. Sastri shall be appointed Indian non-official representative on the Commission.	95
102	The Governor-General	Telegram	(Rec. Sept. 24)	States with reference to No. 101 that he leaves on the 25th inst. for South-West Africa Protectorate, and General Smuts is away on tour; he will discuss the matter with General Smuts when they meet at Pretoria in October.	96
103	India Office	—	September 26	States that purport of No. 100 has been communicated to Indian Government: requests early information as to the probable scope of the reference to the Commission, as this may affect the personnel and status of the Indian deputation.	96
104	To the Governor-General	526	October 14	Conveys purport of No. 103.	96
105	The Governor-General	Telegram	October 28 (Rec. Oct. 25)	States in reply to No. 101 that terms of reference of Indian Commission will only deal with question of trading and trading licences generally, and it is not therefore considered necessary for an Indian to represent Indian Government: Ministers wish to know who will represent the Indian Government and the approximate date of his arrival. It is intended that the first meeting of the Commission shall be held early in the New Year.	97
106	To India Office ...	—	October 27	Transmits copy of No. 105.	97
107	India Office ...	—	November 11	Presses for the inclusion of an Indian in the deputation from the Indian Government: encloses extract from recent telegraphic correspondence with the Viceroy.	97

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
108	To the Governor-General	Telegram	November 15	Communicates purport of No. 107.	99
109	The Governor-General	Telegram	November 21 (Rec. Nov. 22)	States, in reply to No. 108, that Ministers are prepared to waive their objection to the inclusion of a non-official Indian; they have also decided that the Commission shall inquire into the further question of holding of land by Asiatics.	100
110	India Office ...	—	November 22	Calls attention to a question put by Mr. P. W. Le R. Van Niekerk regarding the discussion of the Asiatic question in the Union at the Imperial Conference of 1918, and trusts that it is not to be inferred from General Smuts's reported reply that Mr. Burton's promise in regard to the Imperial Conference Resolution, 1918, has been overlooked or that consideration of these questions is regarded as having lapsed in view of forthcoming appointment of Indian Commission of Inquiry.	100
111	To India Office ...	—	December 12	States that it does not seem probable that General Smuts's reply was intended to convey the impression indicated in the last paragraph of No. 110, and that pending the deliberations of the Commission it is not thought that there would be any advantage in approaching the Union Government in regard to the other matters discussed in Lord Sinha's memorandum.	101

(E) ADMISSION OF WIVES AND CHILDREN OF RESIDENT INDIANS WHO HAVE DIVORCED THEIR PREVIOUS WIVES.

			1917		
112	—	—	July	Nandkor v. Principal Immigration Officer: decision of the Supreme Court of South Africa.	102
			1918		
113	India Office ...	—	June 13	Inquires, with reference to the case of Nandkor v. the Principal Immigration Officer, whether it would be practicable to obtain the amendment of sub-section 2 (b) section 3 of Act 22 of 1914, in order to prevent the occurrence of similar hard cases in future.	104
114	To India Office ...	—	July 25	Expresses, in reply to No. 113, unwillingness, for the reason stated, to take up with the Union Government the question of the amendment of section 3 (2) (b) of the Union Act 22 of 1914: adds that no representations on the judgment in question have been received.	104

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1918					
115	India Office ...	—	December 5	Suggests that representations should be made to Union Government regarding the hardships of the application of the immigration laws in cases of the Indians Fatima and Magda.	105
116	To India Office ...	—	December 28	States that the Secretary of State does not feel that he would have sufficient grounds for approaching the Union Government in sense suggested in No. 115.	105
1919					
117	India Office ...	—	February 19	Transmits copy of a letter from Indian Government urging amendment of existing law preventing the admittance into the Union of the children of the divorced wife of an Indian: expresses the hope that the Secretary of State will reconsider his opinion and recommend the amendment of the law.	105
118	To India Office ...	—	May 1	Suggests in reply to No. 117 that India Office should prepare a memorandum of their views regarding the admission of wives and children of Indians into South Africa for transmission to Union Government.	107
119	India Office ...	—	6 June	Encloses, as suggested in No. 118, a memorandum setting forth the views of the Indian Government, with the request that it be transmitted to the Union Government if the Secretary of State sees no objections to its terms.	108
120	To the Governor-General	Confidential (2)	July 7	Transmits copy of memorandum enclosed in No. 119 and hopes that Ministers will give favourable consideration to the views and suggestions submitted therein.	111

(F) STATUS OF INDIANS BORN IN NATIVE STATES OF INDIA.

1918					
121	Mr. H. S. L. Polak	—	April 2	Comments on the decision of the Supreme Court (Natal Division) that Essa Jan Mahomed, a subject of a Native State in India, is not a British subject, and encloses newspaper extracts.	111
122	To India Office ...	—	April 22	Transmits for observations copy of No. 121.	114
123	India Office ...	—	May 3	Submits observations asked for in No. 122, and requests that Union Government may be approached with a view to securing for subjects of the Native States of India the same treatment as is accorded to them in other parts of the Empire.	114

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
124	The Governor-General	243	April 5 (Rec. May 13)	Transmits copies of letters from the British Indian League and the Transvaal Hindu Association and minutes from and to Ministers relative to the decision of the Supreme Court of Natal in the case of Essa Jan Mahomed, and states action taken by Ministers.	116
125	Ditto ...	Confidential	April 5 (Rec. May 13)	Transmits, with remarks, copy of correspondence with the Minister of the Interior on the case of Essa Jan Mahomed.	121
126	To the Governor-General	223	June 5	Acknowledges receipt of No. 124 and expresses satisfaction at action taken to meet the situation: states that subjects of the Native States of India are far from being regarded as aliens by H.M. Government, and have lately been declared as eligible for civil and military offices under the Crown.	123
127	To India Office	—	June 5	Transmits copies of Nos. 124, 125, and 126, and assumes that in the circumstances no further action is necessary.	123

(G) MISCELLANEOUS.

1917					
128	The Governor-General	788	September 11 (Rec. Oct 13)	Transmits copy of a minute from Ministers relating to the grant of passports to India.	124
1918					
129	To the Governor-General	Telegram	January 2	States that Mr. A. S. Sorabji has applied for passport: gives particulars of his career and asks whether the passport may be issued.	126
130	To the Governor-General	Telegram Secret	January 2	States, with reference to No. 129, why Mr. Sorabji was refused a passport in this country.	127
131	The Governor-General	1002	Dec. 5, 1917 (Rec. Jan. 21 1918)	Transmits copy of telegraphic correspondence with the Viceroy of India relative to the grant of passports and visas to India.	127
132	Ditto ...	Telegram	February 16 (Rec. Feb. 16)	States, in reply to No. 129, that Ministers have no objection to the issue of a passport to Mr. Sorabji.	128
133	Ditto ...	Telegram	(Rec. Feb. 16)	States, with reference to Nos. 130 and 132, that when investigations were made it was not known that a special letter of exemption had been issued in favour of Mr. Sorabji as an educated entrant to the Transvaal Province.	128

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1918					
134	The Governor-General	112	February 20 (Rec. Apr. 15)	Transmits copy of a letter from the Transvaal British Indian Association to the Secretary of State for India protesting against the passport identification particulars required of British Indians resident in the Transvaal.	128
135	Ditto ...	214	March 28 (Rec. May 1)	Transmits copy of Ministers' Minute explaining the present requirements regarding the issue of Certificates of Identity to Indians travelling to India.	129
136	India Office ...	—	June 6	Transmits copies of telegrams exchanged with the Government of India relative to photographs on certificates of registration or identification held by Indian pardanashin women returning to India from South Africa.	181
137	To the Governor-General	Telegram	July 22	States, in reply to No. 185, that the Government of India has agreed to dispense with photographs on certificates of registration and identity of Indian pardanashin ladies travelling to India from South Africa.	131
138	The High Commissioner	Southern Rhodesia 421	August 6 (Rec. Oct. 1)	Forwards copy of correspondence respecting an application by W. N. Baboo Singh, an Indian, for permission to enter the Transvaal, and the refusal of his request by the Union Ministers.	131
139	The Governor-General	Confidential	August 30 (Rec. Oct. 5)	Transmits copy of correspondence with the Governor-General of Mozambique respecting the return to the Union, via Lourenço Marques, of four Indians who were deported from Durban.	134
140	The High Commissioner	Southern Rhodesia 520	September 5 (Rec. Oct. 23)	Transmits, with reference to No. 188, copy of a despatch to the Resident Commissioner, Salisbury, respecting the refusal by Ministers of permission for W. N. Baboo Singh, an Indian, to enter the Transvaal.	136
1919					
141	The Governor-General	906	Dec. 6, 1918 (Rec. Jan. 20, 1919)	Transmits copy of telegraphic correspondence with H.M. Consul-General at Yokohama respecting the admission of two representatives of the Masuda Trading Company of Japan to South Africa on temporary permits.	136
143	Ditto ...	Confidential	Dec. 6, 1918 (Rec. Jan. 20, 1919)	Transmits copy of minute from Ministers upon which enclosure 2 in No. 141 was based: explains conditions on which Japanese immigrants are allowed to enter the Union on temporary permits: states that up to the end of September eight temporary permits had been issued to Japanese during 1918.	137

FURTHER CORRESPONDENCE

[1918 and 1919]

RELATING TO THE

TREATMENT OF ASIATICS IN
THE DOMINIONS.

I. DOMINIONS.

(A) Resolutions of Imperial War Conferences of 1917 and 1918.

RESOLUTION XXII. (OF 1917): RECIPROCITY OF TREATMENT
BETWEEN INDIA AND THE SELF-GOVERNING DOMINIONS.

That the Imperial War Conference, having examined the Memorandum on the position of Indians in the Self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions and recommends the Memorandum to the favourable consideration of the Governments concerned.

35282

No. 1.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND
GOVERNORS.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.)

Dominions No. 504.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 7th August, 1917.

I HAVE the honour to request [Your Excellency] [you] to invite the attention of your Ministers to the discussion and resolution of the Imperial War Conference on the subject of reciprocity of treatment between India and the Self-governing Dominions (pages 117-120 and 159-162 of [Cd. 8566]).

2. Your Ministers will no doubt furnish in due course such comments as they may wish to make on the memorandum that was laid before the Conference.

I have, &c.,

WALTER H. LONG.

45724

No. 2.

INDIA OFFICE to COLONIAL OFFICE.

(Received 17th September, 1917.)

SIR,

India Office, 15th September, 1917.

I AM directed by the Secretary of State for India in Council to transmit to you, for the information of Mr. Secretary Long, a copy of the Secretary of State's public despatch No. 115, dated 14th September, 1917, to the Government of India, relating to the resolution passed by the Imperial War Conference on the subject of reciprocity between India and the Self-governing Dominions. Volume LI., No. 37, of the Canadian Debates is also returned.

Reference to previous correspondence: Letter to the India Office of the 8th August, 1917, 35282/1917.*

I am, &c.,

T. W. HOLDERNESS.

* Not printed: it transmitted copies of No. 1.

(Public. No. 115.)

TO HIS EXCELLENCY THE RIGHT HONOURABLE THE GOVERNOR-GENERAL OF INDIA
IN COUNCIL.

MY LORD,

India Office, London, 14th September, 1917.

I ENCLOSE, for the information of Your Excellency's Government, copy of the correspondence that has taken place regarding the resolution passed by the Imperial War Conference on the subject of reciprocity of treatment between India and the Self-governing Dominions.

Resolution passed by the Imperial War Conference on the subject of reciprocity of treatment between India and the Self-governing Dominions.

Paper laid before the Imperial War Conference headed "Note on Emigration from India to the Self-governing Dominions," dated 22nd March, 1917, being an extract from Parliamentary Paper, Command No. 8566 of 1917.*

Telegram from Secretary of State to Viceroy, Home Department, dated 4th May, 1917.

Telegram (paraphrase) from Secretary of State for the Colonies to His Excellency the Governor-General of the Commonwealth of Australia, dated 30th April, 1917.

Despatch (Confidential) from Secretary of State for the Colonies to His Excellency the Governor-General of the Commonwealth of Australia, dated 1st May, 1917, without annexure.

Telegram from Secretary of State to Viceroy, Home Department, dated 7th May, 1917.

Letter (Confidential) from Colonial Office, dated 9th May, 1917, with annexure.

Telegram from Secretary of State to Viceroy, Home Department, dated 25th May, 1917.

Letter from the Colonial Office, dated 8th August, 1917, with annexures Nos. 1-6.

2. The text of the resolution, No. XXII. of the Conference, was in the following terms:—

"That the Imperial War Conference, having examined the memorandum on the position of Indians in the Self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions and recommends the memorandum to the favourable consideration of the Governments concerned."

3. Your Excellency will observe that the Governments of the Self-governing Dominions have been asked to furnish in due course their comments on the memorandum laid before the Conference. As regards your own Government, your general consideration of the resolutions of the Conference was invited in paragraph 5 of my public despatch No. 84, dated 6th July, 1917, and the particular resolution which forms the subject of this despatch has doubtless been occupying Your Excellency's close attention.

I have, &c.,
ED. S. MONTAGU.

130

No. 3.

INDIA OFFICE to COLONIAL OFFICE.

(Received 1st January, 1918.)

[Answered by No. 4.]

India Office, Whitehall,

London, S.W.1, 1st January, 1918.

SIR,

WITH reference to the letter of your Department, dated the 8th August, 1917,† respecting the resolution passed by the Imperial War Conference on the subject of reciprocity of treatment between India and the Self-governing Dominions, I am directed by the Secretary of State for India in Council to state, for the information of Mr. Secretary Long, that the Government of India have intimated that they propose to await the views of the Dominions Governments on the memorandum referred to in the resolution passed by the Conference.

I am at the same time to express the hope that the preoccupations of the War will not prevent the Dominions Governments from sending at an early date their comments on the memorandum which was laid before the Conference.

I have, &c.,
T. W. HOLDERNESS.

* Pages 159-162.

† 35282, not printed; this enclosed copies of No. 1.

130

No. 4.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 5.]

SIR,

Downing Street, 25th January, 1918.

I AM directed by Mr. Secretary Long to acknowledge the receipt of your letter of the 1st instant,* and to state, for the information of Mr. Secretary Montagu, that the Secretary of State's despatches on the subject of reciprocity of treatment between India and the Self-governing Dominions did not reach Australia and New Zealand until near the end of September, and that the replies may take considerably longer in transmission now. I am, therefore, to suggest that, in the circumstances, the Dominions Governments should be allowed a longer time for communicating their comments upon the memorandum laid before the Imperial War Conference.

I am, &c.,
HENRY LAMBERT.

6648

No. 5.

INDIA OFFICE to COLONIAL OFFICE.

(Received 7th February, 1918.)

India Office, Whitehall,

London, S.W.1, 6th February, 1918.

SIR,

IN reply to your letter of the 25th ultimo,† on the subject of reciprocity of treatment as between India and the Self-governing Dominions, I am directed to state, for the information of Mr. Secretary Long, that the Secretary of State for India in Council recognizes that it is reasonable not to expect immediate answers from the Dominion Governments.

I have, &c.,
J. E. FERARD.

37218

No. 6.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2nd August, 1918.)

(No. 109.)

SIR,

Wellington, 21st May, 1918.

WITH reference to your despatch Dominions No. 504, of the 7th August, 1917,‡ relative to the reciprocity of treatment between India and the Self-governing Dominions, I have the honour to inform you that any further action in regard to this matter will probably be taken by the Right Honourable the Prime Minister and the Right Honourable the Minister of Finance in connexion with the forthcoming meetings of the Imperial War Conference.

I have, &c.,
LIVERPOOL,
Governor-General.

* No. 3.

† No. 4.

‡ No. 1.

48057

No. 7.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5th October, 1918.)

(No. 704.)

SIR,

Governor-General's Office, Pretoria, 30th August, 1918.

WITH reference to your despatch Dominions No. 504, of the 7th August, 1917,* I have the honour to inform you that I am advised by my Ministers that the subject of reciprocity of treatment between India and the Self-governing Dominions received their consideration and was placed in the hands of Mr. Burton for discussion at the recent Imperial War Conference.

I have, &c.,

BUXTON,

Governor-General.

* No. 1.

RESOLUTION XXI. (OF 1918): RECIPROCITY OF TREATMENT BETWEEN INDIA AND THE DOMINIONS.

The Imperial War Conference is of opinion that effect should now be given to the principle of reciprocity approved by Resolution XXII of the Imperial War Conference, 1917. In pursuance of that Resolution it is agreed that:—

1. It is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities.

2. British citizens domiciled in any British country, including India, should be admitted into any other British country for visits, for the purpose of pleasure or commerce, including temporary residence for the purpose of education. The conditions of such visits should be regulated on the principle of reciprocity as follows:—

(a) The right of the Government of India is recognized to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country to the same conditions in visiting India as those imposed on Indians desiring to visit such country.

(b) Such right of visit or temporary residence shall, in each individual case, be embodied in a passport or written permit issued by the country of domicile and subject to *visé* there by an officer appointed by, and acting on behalf of, the country to be visited, if such country so desires.

(c) Such right shall not extend to a visit or temporary residence for labour purposes or to permanent settlement.

3. Indians already permanently domiciled in the other British countries should be allowed to bring in their wives and minor children on condition (a) that not more than one wife and her children shall be admitted for each such Indian and (b) that each individual so admitted shall be certified by the Government of India as being the lawful wife or child of such Indian.

4. The Conference recommends the other questions covered by the memoranda presented this year and last year to the Conference by the representatives of India in so far as not dealt with in the foregoing paragraphs of this Resolution to the various Governments concerned with a view to early consideration.

40003

No. 8.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered by Nos. 10, 18, and 37.]

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 476.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 28th August, 1918.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, a copy of a resolution* relating to reciprocity of treatment between India and the Dominions passed by the Imperial War Conference, together with a copy of a memorandum† on the subject by Sir S. P. Sinha.

2. The memorandum, with the discussion on the subject, and the resolution will be published shortly.

3. His Majesty's Government will no doubt be kept informed of any administrative or legislative action taken in the matter, and will receive any observations that your Ministers may wish to offer on the outstanding points in the memoranda presented to the Conference last year and this year in accordance with the procedure suggested in paragraph 4 of the resolution.

I have, &c.,

WALTER H. LONG.

* Resolution No. XXI: see above.

† See pages 245-248 of [Cd. 9177].

49248

No. 9.

INDIA OFFICE to COLONIAL OFFICE.

(Received 12th October, 1918.)

SIR, India Office, 11th October, 1918.
I AM directed by the Secretary of State for India in Council to transmit to you, for the confidential information of the Secretary of State for the Colonies, copy of Confidential despatch to India No. 82 (Public), dated 27th September, 1918, on the subject of reciprocity in matters of immigration between India and the Dominions.

I am, &c.,
T. W. HOLDERNESS.

Enclosure in No. 9.

(Confidential.)
(Public. No. 82.)

MY LORD, India Office, London, 27th September, 1918.
WITH reference to correspondence ending with Your Excellency's telegram Reciprocity in matters of immigration between India and the Dominions. in the Commerce and Industry Department of the 7th June, No. 4635, I transmit, for the consideration of Your Excellency in Council, a copy of further correspondence regarding reciprocity in matters of immigration between India and the Dominions.

From Colonial Office, dated 7th August, 1918, with enclosure.*

From ditto, dated 20th August, 1918, with enclosure.†

2. In view of the desire of the Dominions' representatives for further consideration of this question, Your Excellency's Government will, I trust, agree that the discussion at the Imperial War Conference was inevitable and was attended by very good results.

3. I append, for the very confidential information of Your Excellency's Government, a tentative draft Bill, to which Sir S. Sinha referred in his memorandum. This is to be regarded merely as a sketch of the legislation which it might at some time be desirable for India to adopt in order to be placed on the same footing in this matter as the Self-governing Dominions. Your Excellency will, I believe, share my appreciation of the skill and tact with which Sir S. P. Sinha has handled this question.

I have, &c.,
EDWIN S. MONTAGU.

To His Excellency the Right Honourable
the Governor-General of India in Council.

ROUGH DRAFT OF BILL THAT MIGHT BE INTRODUCED INTO THE INDIAN LEGISLATIVE COUNCIL.

WHEREAS it is expedient to make provision to enable the Government of India to enter into reciprocal administrative arrangements with other British Possessions; for the entry and residence of persons domiciled in the several portions of the British Empire; it is hereby enacted as follows:—

- 1.—(1) This Act may be called the Immigration into India Act, 191 .
- (2) It shall come into force [at once or on].
- (3) It shall extend to the whole of British India [including British Baluchistan and

- 2.—In this Act, unless there is anything repugnant in the subject or context,—
- (i) "Domicile" means
- (ii)
- (iii)

* Not printed. The Colonial Office letter enclosed Sir S. P. Sinha's memorandum and the Proceedings at the Imperial War Conference, 1918, on the subject (see pages 245-248 and 195-201 of [Cd. 9177]).

† Not printed. The Colonial Office letter enclosed a copy of No. 1.

‡ NOTE.—"British Possessions" in an Indian Act means "any part of His Majesty's Dominions exclusive of the United Kingdom. . . ."

F. Protectorates might have to be mentioned also.

3.—(1) The Governor-General in Council may make rules for the purpose of securing that persons domiciled in any British Possession other than British India shall have the same rights and privileges as regards entry into and residence in British India as are accorded by the law and administration of such Possession to persons domiciled in India. Power for Governor-General in Council to make rules

(2) In particular and without prejudice to the generality of the foregoing powers, rules under this section may be made—

- (a) to grant licences to persons to enter and travel or reside in British India or any part thereof;
- (b) to require the production of passports and evidence of identity and domicile;
- (c) to prevent the landing or entry and provide for the detention and removal of unauthorized persons;
- (d) to provide for the establishment and appointment of Immigration Boards and officers and to define their powers and duties;
- (e) to provide for the arrest of persons contravening or reasonably suspected of contravening any rule made under this section, and to prescribe the duties of public servants and others in regard to such arrests.

(3) Rules made under this section may provide that any contravention thereof or of any order issued under the authority of any such rule shall be punishable with imprisonment which may extend to months or with fine or with both.

(4) All rules made under this section shall be published in the *Gazette of India*, and shall thereupon have effect as if included in this Act.

4.—If any question arise whether any person alleged to be domiciled in any British Possession other than British India and to be subject to the provisions of this Act is or is not subject thereto the onus of proving that such person is not domiciled in such Possession or is not subject to the provisions of this Act shall lie upon such person. Proof of domicile in a British Possession.

5.—If any person ordered under the rules made under this Act to remove himself from British India shall neglect or refuse to do so, or having been removed shall wilfully return thereto without a licence in writing granted by or under the authority of the Governor-General in Council, such person may be arrested and detained in safe custody until he shall be discharged upon such terms and conditions as the Governor-General in Council may prescribe and may be removed from British India. Arrest and detention of person refusing to remove or returning without licence.

6.—It shall be lawful for the Governor-General in Council by notification in the *Gazette of India* to impose such restrictions upon emigration from British India as may be requisite to secure reciprocal arrangements between British India and any British Possession regarding the admission and entry of immigrants. Restrictions on emigration from British India.

62899

No. 10.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 30th December, 1918.)

(No. 224.)

SIR, Government House, Wellington, 6th November, 1918.
I HAVE the honour to inform you that I did not fail to convey to my Ministers the substance of your despatch Dominions No. 476,* enclosing copy of a resolution passed by the Imperial War Conference, relating to reciprocity of treatment between India and the Dominions, and enclosing also a copy of a memorandum† on the subject prepared by Sir S. P. Sinha.

2. I am advised by my Ministers to reply that, so far as the Government of New Zealand are concerned no administrative or legislative action appears to be necessary to give effect to the articles of agreement approved by the Imperial War Conference on 24th July, 1918. Provision already exists for the admission of

* No. 8.

† Pages 245-248 of [Cd. 9177].

merchants, tourists, and *bona fide* students of all nationalities who are unable to pass the education test imposed by the Immigration Restriction Act, 1908, provided they are in possession of passports issued by their respective Governments.

3. Indians domiciled in New Zealand are subject to no disabilities. They have equal rights and privileges in every respect with Europeans. An Indian domiciled in the Dominion would be entitled to bring in his wife and children if the wife and children were certified by the Government of India or if there were proof of a permanent monogamous marriage.

I have, &c.,
LIVERPOOL,
Governor-General.

(B) Miscellaneous.

21178

No. 11.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 6.15 p.m., 17th April, 1917.)

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

TELEGRAM.

[To Canada and Newfoundland only: 17th April.] Government of India has adopted same rules as to grant of passports and visas to India as obtain with regard to Australia.—LONG.

21178

No. 12.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered, as to the Union of South Africa, by No. 128.]

(Canada
(Commonwealth of Australia
(New Zealand
(Union of South Africa
(Newfoundland

Dominions No. 252.)

[MY LORD DUKE,] [SIR,] [MY LORD,] Downing Street, 21st April, 1917.

In confirmation of my telegram of the 17th of April,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of a notice issued by the Secretary of State for India relative to the grant of passports and visas to India.

I have, &c.,
WALTER H. LONG.

Enclosure in No. 12.

PASSPORTS FOR INDIA.

It is hereby notified that no person over fifteen years of age will be permitted to land in India unless in possession of a valid passport issued or *visé* by a competent British authority. British subjects embarking for India from the

* No. 11.

United Kingdom must carry valid passports issued or *visé* by the Passport Office, Downing Street, London. Alien subjects so embarking must carry passports issued by their own authorities and *visé* by the Passport Office.

Persons embarking from foreign countries for India must first have their passports *visé* by a British Consular Officer in the country of embarkation.

The foregoing does not apply to members of British naval or military forces or to crews of overseas vessels.

India Office,
13th April, 1917.

29794

No. 13.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR

(Commonwealth of Australia. No. 195.)
(New Zealand. No. 90.)
(Union of South Africa. No. 260.)
(Newfoundland. No. 42.)

[MY LORD,] [SIR,] Downing Street, 26th May, 1919.
I HAVE the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copies of correspondence* with the Governor-General of Canada on the subject of the law of separation between husbands and wives of Indians in India, in relation to the question of the admission of the wives of British Indians domiciled in the Dominions.

I have, &c.,
MILNER.

58028

No. 14.

INDIA OFFICE to COLONIAL OFFICE.

(Received 10th October, 1919.)

[Answered by No. 15.]

SIR, India Office, Whitehall, London, S.W.1, 9th October, 1919.
I AM directed by Mr. Secretary Montagu to invite the consideration by Viscount Milner of the position of British Indian subjects in territories for which a mandate is conferred upon the Union of South Africa, the Commonwealth of Australia, or the Dominion of New Zealand in accordance with paragraph 6 of Article 22 of the Covenant of the League of Nations.

Mr. Montagu understands that the Mandatory will in each case have full power of administration and legislation, and may apply its own laws to the new territories subject to local modifications. Under these conditions it would appear that the Mandatories can extend their own immigration laws to the territories in question, while a position of some difficulty may arise where (as in South Africa and Australia) there is no Federal law on such matters as trade licences, occupation of land, and regulation of particular industries (such as sugar cultivation). If, on matters at present regulated by Provincial or State legislation, the existing system of the Transvaal were reproduced in South West Africa, or that of Queensland in Pacific Islands, certain classes of British subjects would be prejudicially affected. And on the broader question of the right of entry, the application of Dominion immigration laws to former German territories would apparently result in the imposition on British Indian subjects of disabilities from which they were exempt when the territories were under German rule.

* Nos. 30 and 32.

Mr. Montagu will be greatly obliged if Lord Milner can convey an appeal from him to any Dominion Government which is to receive a mandate, to take into consideration the local position of British Indian subjects in the light of the place of India in the British Empire and the share taken by India in the War. It may, he trusts, be possible to express on the part of His Majesty's Government the hope that, in applying or modifying their own laws as regards the territories under mandate, the several Dominions will give full weight to the importance to India of this question.

I am, &c.,
T. W. HOLDERNESS.

58028

No. 15.

COLONIAL OFFICE to INDIA OFFICE.

SIR, Downing Street, 21st November, 1919.
WITH reference to your letter of the 9th October,* I am directed by Viscount Milner to state, for the information of the Secretary of State for India, that, so far as he is aware, no, or if any very few, British Indian subjects were to be found before the War in the territories to be administered under a mandate by the Governments of the Commonwealth of Australia, New Zealand, and the Union of South Africa. According to "Das Deutsche Kolonialreich," there were no British Indian subjects in the German Pacific territories in 1909. In German South West Africa the position was that the German Government discouraged the settlement of foreigners, and that such coloured foreign population as existed was mainly composed of labourers from South Africa.

2. The position as regards the future is that under paragraph 6 of Article 22 of the Peace Treaty with Germany, South West Africa and the Pacific Islands are to be administered under the laws of the Mandatory as integral portions of its territory. In these circumstances, Mr. Montagu will, no doubt, agree that the principle enunciated in paragraph 1 of Resolution XXI. passed by the Imperial Conference, 1918, will be applicable, should the Dominion Governments desire, in respect of the immigration of British Indian subjects. So far as Lord Milner's information goes, the intention of the Dominion Governments is to apply their existing immigration laws to the territories in question.

3. Mr. Montagu will appreciate that, if the immigration laws of the Self-governing Dominions are applied in the manner suggested, the other points to which reference is made in your letter will not arise.

I am, &c.,
HENRY LAMBERT.

II. CANADA AND AUSTRALIA.

(A) Correspondence arising out of the Imperial War Conference Resolutions of 1917 and 1918.

i. Canada.

2651

No. 16.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 17.]

(No. 35.)

MY LORD DUKE,

Downing Street, 28th January, 1919.

WITH reference to my predecessor's despatch Dominions No. 476, of the 28th August,† I have the honour to request Your Excellency to inform your Ministers that the Secretary of State for India has inquired as to the action taken in Canada

* No. 14. † No. 8.

to give effect to that part of Resolution XXI. of the Imperial War Conference, 1918, which deals with the admission into Canada of the wives and minor children of Indians already domiciled there.

2. I should be glad if your Ministers would arrange for a statement on the matter to be furnished as soon as possible.

I have, &c.,
MILNER.

22839

No. 17.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 14th April, 1919.)

(No. 275.)

MY LORD,

Government House, Ottawa, 27th March, 1919.

WITH reference to previous correspondence, and more particularly to your despatch of the 28th January last,* on the subject of reciprocity of treatment between India and the Self-governing Dominions, I have the honour to transmit herewith copies of an approved minute of the Privy Council for Canada, setting forth the views of my responsible advisers.

I have, &c.,
DEVONSHIRE.

Enclosure in No. 17.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 26TH MARCH, 1919.
(P.C. 641.)

THE Committee of the Privy Council have had before them a report, dated 22nd March, 1919, from the Acting Secretary of State for External Affairs, to whom was referred despatches dated respectively 7th August, 1917, 28th August, 1918, and 28th January, 1919, from the Secretary of State for the Colonies to Your Excellency, on the subject of reciprocity of treatment between India and the Self-governing Dominions, submitting that the memorandum of the India Office, bearing date of 22nd March, 1917, which was under consideration by the Imperial War Conference, calls attention especially to:—

1. The policy of restriction of British East Indian immigration adopted by almost all the Self-governing Dominions;
2. The policy of Canada, which places the East Indian, who is a British subject, in a less advantageous position than Japanese and other Asiatics who do not belong to the Empire;
3. The existing regulations of Canada which offer almost insuperable obstacles to the entry of wives and families of British East Indians now domiciled in Canada;
4. The difficulties met with by tourists and other non-immigrant classes in establishing their right to free access to Canada, as provided by our law;
5. The existing regulations, which practically constitute an embargo against the entry of immigrants of the labouring classes.

The memorandum also suggests the possibility of an agreement between India and the Self-governing Dominions on the following lines:—

1. As regards Indians already permanently settled in the Dominions, they should be allowed to bring in wives (subject to the rule of monogamy), and minor children, and in other respects should not be less privileged than Japanese settled immigrants.
2. Future admissions of Indians for labour or settlement should, if possible, be regulated on lines similar to, and not less favourable than, those governing the admission of any other Asiatic race.

* No. 16.

3. If this is not possible, there might be reciprocal treatment in India and each Dominion of immigration for purposes of labour or permanent settlement. If a Dominion is determined to exclude these two classes of immigration from India, India should be free to do the same as regards that Dominion. It would be clearly recognized that the exclusion in either case was not motivated by prejudice of race, but was the outcome of different economic conditions.

4. Along with such exclusion, reciprocal arrangements would be made for granting full facilities for the admission of tourists, students, and the like, and for business visits entailing temporary residence, so long as this residence was not for labour purposes or for permanent settlement.

At the request of the representatives of India, the subject of reciprocity of treatment between India and the Self-governing Dominions came up for further consideration at the Imperial War Conference in 1918. At this Conference, all the Self-governing Dominions and India were represented, and it was unanimously agreed that:—

1. It is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities.

2. British citizens domiciled in any British country, including India, should be admitted into any other British country for visits, for the purpose of pleasure or commerce, including temporary residence for the purpose of education. The conditions of such visits should be regulated on the principle of reciprocity as follows:—(a) the right of the Government of India is recognized to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country to the same conditions in visiting India as those imposed on Indians desiring to visit such country; (b) such right of visit or temporary residence shall, in each individual case, be embodied in a passport or written permit issued by the country of domicile, and, subject to visé there by an officer appointed by, and acting on behalf of, the country to be visited, if such country so desires; (c) such right shall not extend to a visit or temporary residence for labour purposes or to permanent settlement.

3. Indians already permanently domiciled in the other British countries should be allowed to bring in their wives and minor children, on condition (a) that not more than one wife and her children shall be admitted for each such Indian, and (b) that each individual so admitted shall be certified by the Government of India as being the lawful wife or child of such Indian.

The principal movement of East Indians to Canada occurred in 1907-1908, the total immigration being under seven thousand. Of this number, possibly not more than twelve hundred now remain in Canada, there having been a heavy exodus to the United States, in addition to which quite a number have returned to India. Climatic, industrial, and social conditions in Canada have not, on the whole, been found congenial. Disease has made considerable inroads upon East Indians. Their caste system has seriously interfered with their employment in many walks of life. Notwithstanding the fact that only a small proportion of those who originally emigrated to Canada are now resident here, the Minister submits that certain modifications of the restrictive provisions of the Immigration Act and Regulations should be made for the relief of such of our fellow-British subjects of the East Indian race as may be affected by the resolution of the Imperial War Conference of 24th July, 1918, as above recited.

The Minister, therefore, with the concurrence of the Minister of Immigration and Colonization, recommends that the following declaration, unanimously adopted at the Imperial War Conference, 24th July, 1918, be approved, viz., that—

1. It is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities.

2. British citizens domiciled in any British country, including India, should be admitted into any other British country for visits, for the purpose of pleasure or commerce, including temporary residence for the purpose of education. The conditions of such visits should be regulated on the principle of reciprocity, as follows:—(a) the right of the Government of India is recognized to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country to the same conditions in visiting India as those imposed on Indians desiring to visit such country; (b) such right of visit or temporary residence shall in each individual case be embodied in a passport or written permit issued by the country of domicile, and subject to visé there by an officer appointed by, and acting on behalf of, the country to be visited, if such country so desires; (c) such right shall not extend to a visit or temporary residence for labour purposes or to permanent settlement.

3. Indians already permanently domiciled in the other British countries should be allowed to bring in their wives and minor children on condition (a) that not more than one wife and her children shall be admitted for each such Indian, and (b) that each individual so admitted shall be certified by the Government of India as being the lawful wife or child of such Indian.

The Committee of the Privy Council concur in the foregoing report, and the recommendations therein contained, and recommend that Your Excellency may be pleased to forward a copy thereof to the Right Honourable the Secretary of State for the Colonies, for the information of His Majesty's Government.

All which is respectfully submitted for Your Excellency's approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

ii. Commonwealth of Australia.

27362

No. 18.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.50 a.m., 6th May, 1919.)

TELEGRAM.

6TH MAY. With reference to your despatch 28th August,* reciprocity treatment between India and Dominions. My despatch 14th April, No. 95,† conveys decisions Government of Commonwealth of Australia, which are briefly as follows:—

(a) Government agrees admission on passports India, merchants, students, tourists with their respective wives, exemption to continue without necessity for annual application as long as status preserved;

(b) Indians domiciled Australia may bring one wife and minor children;

(c) Australians visiting India will require to obtain passports;

(d) Legislative proposals will be submitted to Parliament to place Indians on equality with other British subjects as regards old age and invalid pensions, but admission to Parliamentary franchise not approved at present.—FERGUSON.

35869

No. 19.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 17th June, 1919.)

[Answered by No. 20.]

(No. 95.)

Commonwealth of Australia, Governor-General's Office,
Melbourne, 14th April, 1919.

MY LORD,
With reference to your predecessor's despatch of the 28th August last, Dominions No. 476,* transmitting a copy of a resolution† relative to reciprocity of treatment between India and the Dominions passed by the Imperial War Conference, together with a copy of a memorandum‡ on the subject by Mr. S. P. Sinha. I have the honour to forward herewith a copy of a communication which has been addressed to me by my Acting Prime Minister.

I have, &c.,
R. M. FERGUSON,
Governor-General.

Enclosure in No. 19.

(S.C. 443/5.)

Commonwealth of Australia, Prime Minister,
Melbourne, 10th April, 1919.

YOUR EXCELLENCY,
With reference to the Secretary of State's letter of the 28th August, 1918, Dominions No. 476, I desire to inform Your Excellency that the documents transmitted have been considered, and Ministers have had the advantage also of perusing the report of the Conference dealing fully with the question of reciprocity of treatment between India and the Dominions.

As far as Australia is concerned the position is that in 1904 the Commonwealth Government agreed to permit the admission of Indian merchants, students, or tourists, with their wives, on passports for a period of one year, the question of subsequent stay to be considered on application.

In view of the resolution, and with the desire to give full effect to the spirit which animated the Conference, the Government is now prepared to extend the former arrangement so as to permit Indian merchants, students, and tourists to be admitted to Australia on passports, and to remain here indefinitely without the need for further application, so long as they preserve the capacity in respect of which the passport was issued.

In order that there may be no doubt as to the meaning which this Government attaches to the term "merchant," it is desired that the Indian Government should understand that the Commonwealth Government does not consider that the term "merchant" includes retail shopkeepers as such, or hawkers, but that its application is confined to persons engaged in the wholesale oversea trade between India and Australia.

It is further agreed that Indians already here permanently domiciled in the country may bring in a wife and minor children. To give effect to this it will be necessary in the first place for persons desiring to take advantage of the arrangement to apply to the Commonwealth Government, in order that their status may be ascertained, and it will be further necessary that the Indian Government should issue a certificate that the persons proposed to be admitted are the wives and children of the respective applicants.

The departure from Australia for India of any persons will not be permitted unless they are in possession of passports issued or visaed by the Commonwealth Government. No passports or visas will be given to persons if they are of such classes as would be objected to by the Government of India in the light of the agreement reached at the Conference.

* No. 8. † Resolution XXI: see page 5. ‡ Pages 245-248 of [Cd. 9177].

It is understood that the claims of Indians to enter Australia for the purpose of labour or permanent settlement are not pressed. It appears from the memorandum that Indians will be satisfied if they receive treatment not less favourable than that accorded to other Asiatic people who are not subjects of the British Empire. As Australia does not discriminate against Indians in favour of any other Asiatics, it is thought that the position should be regarded as satisfactory.

The main points of internal Australian administration which create a differentiation between Indians and Australian-born persons or white British subjects appear to be two: (1), exclusion from the Parliamentary franchise, and (2), exclusion from the privileges of the old age and invalid pension law. The Commonwealth Government, after giving the matter full consideration, regrets that it cannot see its way at present to admit Indians to the Parliamentary franchise; but, in regard to the old age and invalid pensions, legislative proposals will be submitted as soon as possible to place Indians on an equality with other British subjects.

I shall be pleased if Your Excellency will ask the Secretary of State to bring this communication under the notice of the Government of India, with an assurance of the sincere desire of this Government to work in most complete harmony with them in regard to all matters arising out of the agreement reached at the Imperial Conference.

Yours faithfully,
W. A. WATT,
Acting Prime Minister.

His Excellency the Governor General
Sir Ronald Munro-Ferguson, P.C., G.C.M.G.,
&c., &c., &c.

46642

No. 20.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 318.)

SIR, Downing Street, 30th August, 1919.

With reference to Your Excellency's despatch No. 95, of the 14th April,* relative to reciprocity of treatment between India and the Dominions, I have the honour to request you to inform your Ministers that I duly communicated to the Secretary of State for India the letter addressed to you by your Acting Prime Minister on 10th April.

2. Mr. Montagu informs me that he welcomes the steps which the Commonwealth Government are prepared to take to give effect to Resolution XXI. of the Imperial War Conference, 1918. He notes that Indian visitors admitted to the Commonwealth in the capacity of merchants, students, or tourists, and their wives will be permitted to remain so long as they continue in the capacity in which they were admitted; and that Indians permanently domiciled are to be allowed to introduce into Australia a wife and minor children who are certificated by the Indian Government. In this connexion it is suggested that the most convenient procedure would be that any Indian resident in Australia applying to bring his wife or children should be required to submit on a prescribed form full particulars of their identity to the Commonwealth immigration authorities, who would then, if they were satisfied that he had no wife already in Australia, transmit the application for the authorities in India to verify and grant, or withhold, as the case might be, the necessary certificate.

3. Mr. Montagu further observes, with satisfaction, that legislation is to be introduced with a view to removing the disabilities of domiciled Indians in regard to old age and invalid pensions. He regrets that the Commonwealth Government cannot at present see their way to admitting Indians to the Parliamentary franchise, but he recognizes that the steps proposed, taken together, constitute a

* No. 19.

substantial advance from the point of view of India, and are an earnest of the sincere desire of the Commonwealth Government, expressed in the last paragraph of the Acting Prime Minister's letter, to work in harmony with the Government of India in all matters arising out of the agreement reached at the Imperial War Conference.

I have, &c.,
MILNER.

(B) Miscellaneous.

i. Canada.

795

No. 21.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 4th January, 1918.)

[Answered by No. 23.]

(Confidential.)

SIR, Government House, Ottawa, 20th November, 1917.
I HAVE the honour to forward, herewith, for your information, copies of a letter from the Dominion Immigration Inspector for British Columbia, dated 14th November, 1917, on the subject of the Hindus and the Military Service Act.

I have, &c.,
DEVONSHIRE.

Enclosure in No. 21.

Immigration Branch, Department of the Interior,
Vancouver, B.C., 14th November, 1917.

SIR,

I ENCLOSE herewith four newspaper clippings from the following papers in reference to the Hindus and the Military Service Act: The *World*, 13th November; the *World*, Editorial, of the same date; two from the *Province*, 13th November.

It is only fair, however, as you will note by the clippings from the *World* of the 13th, headed "The Noble Red Man Shies at Khaki," that our own British Columbia Indians are anxious to avoid fighting as well.

I have, &c.,

MALCOLM R. J. REID,
Dominion Immigration Inspector for B.C.

W. W. Cory, Esq., C.M.G.,
Deputy Minister,
Department of Interior,
Ottawa, Ontario.

EXTRACT FROM THE VANCOUVER "WORLD," 13TH NOVEMBER, 1917.

SEND PETITION TO GOVERNMENT.

Local Hindus Want Exemption from Military Act as they are Denied Rights of Citizens.—"Why Enlist us by Force," they urge.—Have no Vote—Are Kept Apart from Families—Treatment is "Brutal."

Claiming in its substance that as they are not Canadian citizens they do not come within the scope of the Military Service Act, local Hindus have issued a statement. It is their claim to the Government for exemption under the Act.

On reading the article in local papers that Hindus must register before 10th November, the petition says: "The Hindus held a meeting in the Sikh Temple on Sunday, and, having in view the staunch loyalty of Hindus to the British crown, the article was read and interpreted to the audience.

After discussion, it appears from the statement, a resolution was passed and instructions given to a committee to present it to the Canadian Government.

Lawful Rights Denied.

The resolution is to the effect that conscription should not be applied to Hindus as they are not citizens and have not been enjoying the full rights of citizens of Canada, "and, moreover, have no voice or hand whatsoever of any nature in the legislation of this country." The petition goes on to say: "Instead, we have been brutally deprived of the lawful and natural rights of humanity, such as the entrance of dear wives and children, who long to see us but are not permitted to land, and if we venture to go and see them we are afraid lest we should not be allowed to land again.

A Pointed Question.

"When we have no right to vote, then how can the Canadian Government expect to enlist us by force in the national service of a country where we are not allowed to enjoy the ordinary rights of citizens?" the petitioners will ask the Government.

"In spite of being a peaceful and law-abiding nation, we are not being treated as human beings," states a concluding paragraph. "We are barred from going into public places where everybody has a right to go, no matter what class or creed. Even there, we Hindus are held in contempt, such as restaurants, rooming houses, theatres and shows.

"We are loyal to the heart, however, and wish the success of British arms, and will do, and have been doing, our best for the cause."

Numbers Affected.

Hindu leaders say there are between 800 and 1,000 of their race scattered over British Columbia, 500 of whom are working about lumber mills in Vancouver, New Westminster, Fraser Mills and Victoria. There are less than a hundred in the capital and between two and three hundred in Vancouver. Of this total, however, they say a very small proportion, indeed, come between the ages of Class A men—20 to 30.

No Hindus in Vancouver have registered, and on the gentlemen of the turbans waiting upon Mr. Lennie, registrar under the Act, following their Sunday meeting, to express the views outlined in the petition quoted above, they were informed that he could do nothing for them either way, and referred them to the officer commanding the military district.

The petition will be sent immediately to the Government, when, it is expected, a public statement on the Government's proposed action will quickly follow, as the liability of the Hindu [?].*

EXTRACT FROM THE VANCOUVER "WORLD," 13TH NOVEMBER, 1917.

The enlistment of Hindus under the Military Service Act can hardly have been in the contemplation of the Ottawa authorities. The Hindus are not citizens though they are British subjects, and, as such, come under the provisions of the conscription law. Sympathetic treatment might be given their case, however, particularly as Sir Robert Borden at the Imperial Conference this year when the principle of reciprocal treatment of Canadians in India and Indians in Canada was adopted, undertook on behalf of Canada to see that a fair and reasonable settlement of the Hindu question would be reached if possible.

EXTRACT FROM THE VANCOUVER "PROVINCE," 13TH NOVEMBER, 1917.

HINDUS OBJECT TO CALL FOR SERVICE.

Being Denied Franchise, They Claim to be Outside Conscription.

Hindus are claiming exemption from the Military Service Law on the ground that it is not applicable to them so long as they are not given a franchise in Canada. Upon reading an article in the *Province* on 9th November, in which it was pointed out that Hindus must register now, leaders of the local colony called a

* Note.—The remainder of the newspaper extract was mutilated.

meeting in the Sikh Temple and appointed a committee to make representations to the Government. The committee comprised Kapoor Singh, Sumond Singh, Lachman Singh, Gurdit Singh, Harbaus Singh, and Harman Singh. The Hindus' formal statement of their case follows:

"The conscription law can be applicable to the Canadian citizens only and not to us, the Hindus, as we are not the citizens of this country and have not been enjoying the full rights as real citizens, and moreover have no hand or voice whatsoever of any nature in the legislation of this country. Far from giving us the rights of public life, we have been brutally deprived of the lawful and natural rights of humanity such as the entrance of our dear wives and children, who long to see us but they are not permitted to land, and if we venture to go and see them we are afraid lest we should not be allowed to land again. In this connexion we did all we could by sending a delegation to Ottawa, London, and India, but a deaf ear was turned to all our entreaties and groans, though the landing of our wives and children was no favour to us but a justice.

"When we have no right to vote, then how can the Canadian Government expect to enlist us by force in the national service of a country where we are not allowed to enjoy the ordinary rights of a citizen?

"In spite of our being a peaceful and law-abiding nation we are not being treated as human beings, as we are barred from going into public places where everybody has a right to go no matter what class or creed, but even there we Hindus are held in contempt, such as restaurants, rooming-houses, theatres and shows.

"We are loyal to the heart, however, and wish the success of the British arms, and will do, and have been doing, our best for the cause."

EXTRACT FROM THE VANCOUVER "WORLD," 13TH NOVEMBER, 1917.

NOBLE RED MAN SHIES AT KHAKI.

B.C. Indians so Anxious to Avoid Fighting they even Engage Lawyer to Plead Cause.

Victoria, 13th Nov.—The British Columbia Coast Indians are up in arms against the conscription measure. A large number of excited Indians paraded the city thoroughfares yesterday, coming as duly elected representatives of the East Coast tribes located between Nanaimo and Victoria. In the native tongue these Indians are expressing their sentiments. They have a strong grievance against the white man, which has particular reference to the application of the provisions of the Military Service Act. These native delegates express themselves as strongly opposed to being forced to serve their country under arms. While they are law-abiding citizens, the eligible Indians are not over eager to don khaki, and their mission here is to express the disapproval of the military measure by the natives as a whole. They propose to put their cases in the hands of lawyers in an effort to fight the measure as it affects the natives of the Island.

It is understood that all Indians who do not live on the Government reserves are liable to service under the Conscription Act. The reserve Indians have no vote and are looked upon as minors in the eyes of the law.

EXTRACT FROM THE "PROVINCE," 13TH NOVEMBER, 1917.

HINDUS MUST REPORT.

Registrar Lennie Tells Petitioners He Can do Nothing for Them.

Yesterday Registrar Lennie told a deputation of nine Hindus who appeared asking exemption for the local Hindu colony, that he could do nothing for them, and that they would have to report for service at the First Depot Battalion at Hastings Park.

Offices within the jurisdiction of the post office inspector on the mainland are continuing to report on their last day's registrations, and yesterday afternoon 1,445 registration forms were turned over to Registrar Lennie's office. Of these 1,228 were exemption claims. The total now stands at 2,798 applications for service and 9,441 claims for immunity. The exemption claims include many duplicates.

5363

No. 22.

INDIA OFFICE to COLONIAL OFFICE.

(Received 31st January, 1918.)

[Answered by No. 25.]

SIR,

India Office, Whitehall, London, S.W.1, 30th January, 1918.

IN reply to Mr. Lambert's letter, dated 15th January,* on the attitude of the Hindu population of the Dominion towards the Canadian Military Service Act, I am directed by the Secretary of State for India to state, for the information of Mr. Secretary Long, that, under Army Council Instruction No. 1771/16, dated 12th September, 1916 (copy enclosed), natives of India of unmixed Asiatic descent, and men whose fathers are or were natives of India of unmixed Asiatic descent, are not to be called up for service under the British Military Service Acts. The effect of that instruction read with article 1 of the agreement with France, dated 4th October, 1917, respecting the liability to military service of British subjects resident in France, is that certificates of exemption from military service are granted to Indians in France.

I am to suggest that the Dominion Government should be invited to consider whether Indians resident in Canada should not be placed on the same footing as regards liability to military service as they now are in the United Kingdom and France.

I have, &c.,

J. E. FERARD.

Enclosure in No. 22.

ARMY COUNCIL INSTRUCTION No. 1771 OF 1916.

War Office, 12th September, 1916.

1771.—Position of Natives of India under the Military Service Acts, 1916.

It is notified that natives of India of unmixed Asiatic descent, and men whose fathers are or were natives of India of unmixed Asiatic descent, are not to be called up for service under the provisions of the Military Service Acts, 1916.

Army Council Instruction 1365 of 1916 is hereby cancelled.

27/Gen. No./5360 (A.G.2B (R)).

By Command of the Army Council.

R. H. BRADE.

5363

No. 23.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy to India Office, 15th February, 1918. L.F.]

[Answered by No. 27.]

(Confidential (2).)

MY LORD DUKE,

Downing Street, 14th February, 1918.

WITH reference to Your Excellency's despatch Confidential, of the 20th of November, 1917,† I have the honour to transmit to you, to be laid before your Ministers, the accompanying copy of a letter‡ from the India Office, on the subject of the position of Indians in Canada as regards liability to military service.

I have, &c.,

WALTER H. LONG.

* 795, not printed: see page 21.

† No. 1.

‡ No. 22.

8944

No. 24.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 20th February, 1918.)

[Copy to India Office, 9th March, and Foreign Office, 12th March, 1918. L.F.]
(No. 51.)

SIR, Government House, Ottawa, 23rd January, 1918.
I HAVE the honour to forward, herewith, for your information, a copy of an Order in Council, dated 17th January, 1918, on the subject of the Military Service Act Regulations.

I have, &c.,
DEVONSHIRE.

Enclosure in No. 24.

(P.C. 111.)

Privy Council, Canada.

AT THE GOVERNMENT HOUSE AT OTTAWA, THURSDAY, THE 17TH DAY OF JANUARY, 1918.

Present:

His Excellency the Governor-General in Council.

WHEREAS petitions and memorials have been received from and on behalf of Indians pointing out that, in view of their not having any right to vote, they should, although natural-born British subjects, not be compelled to perform military service, and that in the negotiations of certain treaties expressions were used indicating that Indians would not be so compelled, an instance of this recently brought forward being the expression of the Lieutenant-Governor in negotiating the North West Angle Treaty as it appears in the despatch of the 14th of October, 1873, quoted in Morris's "Treaties of Canada with Indians," pages 50 and 69;

And whereas petitions and memorials have also been received from and on behalf of persons formerly subjects of the Emperor of Japan but naturalized in Canada, pointing out that, although naturalized, they are not in the Provinces in which they reside entitled to vote under the existing franchise laws, and that, since they are consequently not entitled to any benefit by reason of their naturalization, either within or beyond Canada, the obligation to perform military service should not be imposed upon them by law;

And whereas in the War Time Elections Act, 7-8 George V., chapter 39, Parliament provided that the naturalized persons thereby deprived of the franchise should, by reason of that deprivation, be relieved from the duty of performing combatant military service, and it would appear just and reasonable that a similar course should be pursued in relation to other disfranchised persons, whether natural born or naturalized subjects of His Majesty;

And whereas, in view of the foregoing, the Acting Minister of Justice on the recommendation of the Central Appeal Judge and with the concurrence of the Military Service Council, has recommended that the following Regulations be added to the Military Service Regulations:

Therefore His Excellency the Governor-General in Council, by virtue of the powers conferred on the Governor in Council by the Military Service Act, 1917, the War Measures Act, 1914, or otherwise, is pleased to make the following additional Military Service Regulations, and the same are hereby made and enacted accordingly:—

Regulations.

14A. Any British subject who, under the laws in force from time to time, is disqualified from voting at a Dominion election otherwise than under Section 67 of the Dominion Elections Act, R.S.C., 1906, or Section 6 of the War Time Elections Act, 7-8 George V., chapter 39, shall be entitled to exemption from combatant military or naval service, unless he has in fact voted at a Dominion election although at the time disqualified from so doing.

394

18A. Any Indian Agent may make application for the exemption of any Indian attached to the Reserve over which such agent has jurisdiction, and it shall not be necessary for the Registrar to assign to a local tribunal any application made or transmitted by an Indian Agent on behalf of an Indian, but the Registrar shall forthwith issue to such Indian and transmit to the Indian Agent for delivery to him a certificate of exemption from combatant military service. In the event of any man thus exempted from combatant military service being hereafter called upon to perform any military duty he may then put forward any claim for exemption even from non-combatant service which he may then have.

RODOLPHE BOUDREAU,
Clerk of the Privy Council

8944

No. 25.

COLONIAL OFFICE to INDIA OFFICE.

SIR, Downing Street, 9th March, 1918.
WITH reference to your letter of the 30th of January,* I am directed by Mr. Secretary Long to transmit to you, for the information of the Secretary of State for India, a copy of a despatch † from the Governor-General of Canada enclosing a copy of an Order in Council with regard to the position of Indians under the Canadian Military Service Act.

While the Indians referred to are North American Indians, it will be seen that the new Regulation 14A is of general application. Copies of the two Acts to which reference is made are enclosed.

I am, &c.,
HENRY LAMBERT.

31058

No. 26.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy to India Office, 5th July, 1918. L.F.]

[Answered by No. 28.]

(Confidential (2).)

My LORD DUKE, Downing Street, 4th July, 1918.
WITH reference to Your Excellency's despatch of the 25th May, Confidential (2), ‡ regarding the Press report of the prospective arrival of a number of Hindu women in British Columbia, I have the honour to request you to inform your Ministers that an inquiry has been received from the Government of India as to whether there is any foundation for the report that the Government of the Dominion of Canada have now granted permission for the entry into British Columbia of a number of wives of resident British Indians.

I have, &c.,
WALTER H. LONG

34096

No. 27.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11th July, 1918.)

[Copy to India Office, 18th July, 1918. L.F.]

(Confidential.)

SIR, Government House, Ottawa, 19th June, 1918.
WITH reference to your despatch Confidential (2), of the 14th February, § enclosing a copy of a letter from the India Office on the subject of East Indians in

Canada as regards liability to military service, I have the honour to transmit, herewith, copies of an Order in Council ordering that natives of India of unmixed Asiatic descent, and men whose fathers were or are natives of India of unmixed Asiatic descent, shall not be called up for service under the provisions of the Military Service Act, 1917, or the Regulations passed thereunder or under the authority of the War Measures Act, 1914.

I have, &c.,
DEVONSHIRE.

Enclosure in No. 27.

(P.C. 1459.)

AT THE GOVERNMENT HOUSE AT OTTAWA, WEDNESDAY, THE 12TH DAY OF JUNE, 1918.

Present:

HIS EXCELLENCY THE GOVERNOR-GENERAL IN COUNCIL.

WHEREAS a despatch, dated 14th February, 1918, has been received from the Secretary of State for the Colonies, together with copy of a letter from the India Office, on the subject of East Indians in Canada as regards liability to military service;

And whereas the Acting Secretary of State for External Affairs represents that in this letter it is set forth, by direction of the Secretary of State for India, that under the Army Council Instructions No. 1771/16, dated 12th September, 1916, natives of India of unmixed Asiatic descent are not to be called up for service under the British Military Service Act; and the effect of that instruction, read with Article 1 of the agreement with France, dated 4th October, 1917, respecting the liability to military service of British subjects resident in France, is that certificates of exemption from military service are granted to Indians in France;

And whereas the Secretary of State for India suggests that Indians resident in Canada should be placed on the same footing as regards liability to military service as they are now in the United Kingdom and France.

Therefore His Excellency the Governor-General in Council, on the recommendation of the Acting Secretary of State for External Affairs, with the concurrence of the Minister of Justice, and under and in virtue of the powers vested in the Governor in Council under the War Measures Act, 1914, and otherwise, is pleased to order that natives of India of unmixed Asiatic descent, and men whose fathers were or are natives of India of unmixed Asiatic descent, shall not be called up for service under the provisions of the Military Service Act, 1917, or the Regulations passed thereunder, or under the authority of the War Measures Act, 1914.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

40199

No. 28.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 19th August, 1918.)

[Copy to India Office, 22nd August, 1918. L.F.]

(Confidential.)

SIR, Government House, Ottawa, 2nd August, 1918.

WITH reference to your despatch Confidential (2), of the 4th July,* regarding the Press report of the prospective arrival of a number of Hindu women in British Columbia, I have the honour to inform you that there has been no change in the Immigration Regulations with regard to Hindu women, but within the past few months consent has been given in several cases to the admission of the wife and family of a British East Indian who has been shown to be in Canada legally, to be well-behaved, and in a position to receive and care for his family. Each case is dealt with on its merits, and none appear to have been refused. Very few applications have been received, the total number of such cases not being more than ten or twelve.

I have, &c.,
DEVONSHIRE.

* No. 26.

52069

No. 29.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 29th October, 1918.)

(Confidential.)

SIR, Government House, Ottawa, 9th October, 1918.

I HAVE the honour to forward, herewith, for your information, copy of a letter, dated 28th September, 1918, from the Dominion Immigration Inspector at Vancouver, enclosing clipping from the *Vancouver Sun*, headed "Civic Status of Orientals."

I have, &c.,
DEVONSHIRE.

Enclosure in No. 29.

Department of Immigration, Vancouver,

British Columbia, 28th September, 1918.

SIR,

I beg to enclose herewith following newspaper clipping for your files and general information: *Vancouver Sun*, dated 27th September, headed "Civic Status of Orientals."

Yours, &c.
MALCOLM R. J. REID,
Immigration Inspector

W. W. Cory, Esquire,
Deputy Minister of Interior,
Ottawa, Ontario.

EXTRACT FROM VANCOUVER "SUN," 27TH SEPTEMBER, 1918.

Civic Status of Orientals.

When Honourable N. W. Rowell spoke in Vancouver the other day he explained, among other things, the status to be accorded our Hindu population. Those of them who are already here will be allowed to remain and to import their wives—one wife for each Hindu. No more male Hindus of the labouring class will be admitted.

A point upon which he failed to touch is the political status of these Orientals. They are British subjects. Are they and their children to be eligible to vote and hold office in Canada? British Columbia may continue to refuse to place them on the voters' lists for provincial purposes, but the Dominion authorities can give them the federal franchise if such a course is judged proper. Will it be done? Is this phase of the matter covered by the agreement made at the Imperial Conference?

And, as far as that is concerned, hasn't the time about come for the Province of British Columbia to revise to some extent its attitude with regard to all of our Asiatic residents? There is no danger of this Province ever being other than a white man's country. Why should there continue to be a distinction of civic status among persons who have been born and brought up here?

The Dominion Government, in the War Time Election Act, abolished this distinction in so far as it concerned those who have enlisted. Would any harm be done if the Provincial Government were to follow suit?

18955

No. 30.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 27th March, 1919.)

[Answered by No. 32.]

(No. 213.)

MY LORD, Government House, Ottawa, 10th March, 1919.

I have the honour to inform you that application has been made to the Department of Immigration by an East Indian, named Babu Singh, for permission to bring his wife into British Columbia from India. It has been stated, however, that as he has

resided away from her for more than three years she has taken advantage of a provision of India law which enables her, by making a public declaration, to separate herself legally from her husband. It is desired by the Department of Immigration to ascertain whether there be such a law in India recognized by the Indian Government, as, if that is the case, it would have a material effect on the recognition of women as the legal wives of East Indians domiciled in Canada.

I have, &c.,
DEVONSHIRE.

29794

No. 31.

INDIA OFFICE to COLONIAL OFFICE.

(Received 19th May, 1919.)

(Extract.)

SIR, India Office, Whitehall, London, S.W., 17th May, 1919.
I am directed by the Secretary of State for India to refer to Sir H. Lambert's letter of 4th April,* transmitting copy of a despatch† from the Governor-General of Canada, which raises the question of the law of separation between husbands and wives in India, in connexion with the subject of the admission of wives of British Indians domiciled in the Dominion.

In reply, I am to forward, for the information of Viscount Milner, extract from a memorandum by the Legal Adviser at this Office dealing with the position in the Punjab, i.e., the Province from which most of the immigrants in Canada, and presumably the Babu Singh referred to, were drawn. With reference to the memorandum, I am to suggest that it may be desirable to point out to the Canadian Government that in British India the religious laws of non-Christians are, in such matters as marriage, fully recognized and administered by the British Courts. Thus there is no general or territorial marriage law in India, Hindus being bound by Hindu law, and Mohammedans by Mohammedan law. I am to add that the Sikhs, to which community most of these settlers belong, are in this matter, practically speaking, bound by Hindu law or custom. It will therefore be seen that in the majority of districts of the Punjab, among the Sikh community, the Hindu law prevails, and a wife cannot be released from her husband on any ground whatever, but that in some districts a wife's claim to separation may be recognized by local custom in the event of the husband's absence through emigration for a number of years or of his disappearance. The law in any particular case would depend on the district in which the immigrant had resided in India.

It does not appear to Mr. Montagu that this diversity of custom, in so far as it affects the Indian immigrant in Canada, need cause any embarrassment to the authorities in the Dominion in recognizing the legal status of the wives and children who are to be admitted in accordance with Resolution XXI. of the Imperial War Conference, 1918.‡ In accordance with the terms of that Resolution (3) (b), the onus of deciding whether any individual, for whose admission an immigrant applies, is his lawful wife or child, will lie upon the Government of India, which will have to settle any difficult question that may arise owing to the law to which such applicant is subject, and will give or withhold its certificate as the case may be. The terms of the Resolution seem to be expressly framed in such a way as will obviate any difficulty of this nature.

At the same time I am to suggest, for Viscount Milner's consideration, that the possibility that the wife of an immigrant may separate herself from him as a result of his immigration increases the hardship of the present position in such cases as may exist where the immigrant is subject to a customary law of this character, and provides an additional argument for hastening such administrative or legislative action as may be required to give effect in Canada to the terms of the Resolution which was wholeheartedly accepted by her representatives at the Conference.

I have, &c.,
P. H. DUMBELL.

* 18955: not printed.

† No. 30.

‡ See page 5.

Enclosure in No. 31.

It is provided by the Punjab Laws Act that in questions regarding, amongst other things, marriage and divorce, the rule of decision shall be (a) any custom applicable to the parties which is not contrary to justice, equity or good conscience, and has not been altered or abolished by legislative enactment or declared to be void by any competent authority; (b) the Mohammedan law in cases where the parties are Mohammedan, and the Hindu law where the parties are Hindus,* except in so far as such law has been altered or abolished by legislative enactment or has been modified by any such custom as is above referred to.

Owing to the extraordinary diversity of custom, in different districts, disputes regarding customs are very common in the Punjab, and the local Government has accordingly prepared a record of customs district by district.

One of the questions to which attention has been specially directed refers to the grounds, if any, on which a married woman may claim to be released from the marriage tie. In the majority of the district records it is stated that among Hindus the ordinary Hindu law prevails in this matter, and a wife cannot claim to be released on any ground whatever. In others, it is stated that she may claim release when the husband changes his religion or has become a leper or insane. In the Ferozepore record it is stated that there are many instances of a woman whose husband has emigrated remarrying after a few years, but there is a difference of opinion as to whether the husband may claim his wife if he returns. In the Ludhiana record it is stated that if a husband disappears and the wife is ignorant of his whereabouts she may marry again, and the second marriage is not invalidated by the reappearance of the first husband, and that cases have occurred when a wife has remarried when her husband has been transported.

29794

No. 32.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 221.)

MY LORD DUKE.

Downing Street, 26th May, 1919.

WITH reference to Your Excellency's despatch No. 213, of the 10th March,† I have the honour to transmit to you, to be laid before your Ministers, a copy of a letter‡ from the India Office on the subject of the law of separation between husbands and wives of Indians in India, in relation to the question of the admission into Canada of the wives of British Indians domiciled in the Dominion.

I have, &c.,
MILNER.

ii. Commonwealth of Australia.

46708

No. 33.

FOREIGN OFFICE to COLONIAL OFFICE.

(Received 21st September, 1917.)

THE Under-Secretary of State for Foreign Affairs presents his compliments to the Under-Secretary of State for the Colonies, and, by direction of the Secretary of State, transmits herewith a copy of a despatch, No. 224, dated 17th July, from His Majesty's Consul-General at Batavia, on the subject of the admittance of British Indians into Australia.

Foreign Office,
20th September, 1917.

(Similar letter sent to India Office.)

* Sikhs are presumed to be governed by the Hindu law but the contrary may be shown.

† No. 30.

‡ No. 31.

Enclosure in No. 33.

(No. 224.)

SIR, British Consulate-General, Batavia, 17th July, 1917.

I HAVE the honour to report that in December last year the British Indian firm of F. K. Hoondamall & Company, of Medan, inquired, through the Vice-Consul at that port, as to the restrictions that would be imposed by the Government of the Commonwealth of Australia on the immigration into Australia of British Indians and the opening of a branch of that firm at Melbourne.

2. In reply to my inquiries His Excellency the Governor-General of the Commonwealth of Australia stated that, if it were the intention of the firm merely to open a branch and leave it in charge of a permanent resident, the admittance of the members of the firm in charge of such opening might, under certain circumstances, be permitted for a period of twelve months in the first place. If, however, this were not the intention of the firm, His Excellency desired to be furnished with particulars as to the nature and extent of their business, before consideration could be given to the question of granting them any further concessions.

3. The desired particulars were forwarded to Melbourne in due course, and I inquired whether the Commonwealth was then in a position to grant the firm any further concessions under the circumstances.

4. I have the honour to enclose copy of the Governor-General's reply, in which His Excellency states that it would be inconsistent with the intention of the Commonwealth Parliament and with administrative practices to grant the desired authority.

5. I have instructed the Vice-Consul at Medan to communicate this decision in general terms to the firm in question, without however, giving details of the reasons.

6. I am not aware what exactly is meant by the "intention of the Commonwealth Parliament and administrative practices," unless this refers merely to the restrictions on the immigration of coloured nationals into Australia, but I have the honour to report this concrete instance of refusal of admittance to British Indians into Australia in view of the discussions at present taking place relative to the extension of equal privileges to all classes of subjects within the British Empire, and in view of the loyal and considerable participation by British Indian subjects in the War both at the front, and as a specific case as far as the British Indians in *Sumatra* are concerned, by their exceedingly generous attitude towards war charities such as the British Red Cross Fund, to which they have contributed continually ever since the War began.

7. I venture to suggest that, with the concurrence of the Government of India, the Government of the Commonwealth be approached with a view to relaxing the restrictions now in force upon the immigration of British Indians into Australia, because the time would seem to be ripe for the promotion of oversea trade to the benefit both of Australia as well as India, so that more perfect and intimate relations may be woven between these two most important partner-nations of the British Commonwealth to the detriment of German trade after the War.

I have, &c.,

W. R. D. BECKETT

The Right Honourable
A. J. Balfour, Esq., O.M.,
&c., &c., &c.,
London.

P.S.—I am sending a copy of this despatch to the Secretary to the Government of India, Foreign Department, Simla, and to the Governor-General of the Commonwealth of Australia, Melbourne.

(1917/2/3.)

Commonwealth of Australia,

SIR, Governor-General's Office, Melbourne, 8th June, 1917.

WITH reference to your despatch dated 8th March last, on the subject of the restrictions imposed in connexion with the prospective opening of a branch in Melbourne of the firm of F. K. Hoondamall & Company, of Medan, I have the honour, at the instance of my Prime Minister, to inform you that as it would be inconsistent with the intention of the Commonwealth Parliament and with administrative practices to grant permission for Mr. Kanndamal and his assistants and servants to come to Australia to open a branch in Melbourne of the firm of F. K. Hoondamall & Company, as proposed, the Commonwealth Government regrets that it cannot see its way to grant the desired authority in their favour.

I have, &c.,

His Britannic Majesty's Consul-General,
British Consulate-General,
Batavia.

R. C. M. FERGUSON,
Governor-General.

47015

No. 34.

INDIA OFFICE to COLONIAL OFFICE.

(Received 24th September, 1917.)

[Answered by No. 35.]

India Office, Whitehall.

SIR, London, S.W.1, 22nd September, 1917.

WITH reference to the Foreign Office memorandum of the 20th instant,* which is understood to have been communicated to your Department, I am directed by Mr. Secretary Montagu to inquire whether he may be favoured by Mr. Secretary Long with his opinion on the case. *Prima facie*, the action of the Commonwealth Government would appear to be based on section 4 (3) (j) of the Australian Immigration Act of 1912, in connexion with which I am to invite reference to the correspondence ending with Mr. Lambert's letter of the 13th February, 1913.†

I have, &c.,

J. E. FERARD,

Assistant Secretary, Judicial and Public
Department.

47015

No. 35.

COLONIAL OFFICE to INDIA OFFICE.

[Copy to Foreign Office, 10th October, 1917. L.F.]

SIR, Downing Street, 10th October, 1917.

I AM directed by Mr. Secretary Long to acknowledge the receipt of your letter of the 22nd September‡ regarding the admittance of British Indians into Australia, and to request you to inform Mr. Secretary Montagu that, as the correspondence furnished by His Majesty's Consul-General at Batavia is incomplete, the full intention of the letter of the 8th June§ from the Governor-General of the Commonwealth of Australia is not clear.

2. Apparently, however, the application of the British Indian firm of F. K. Hoondamall was treated as one for a special certificate of exemption under section 4 of the Immigration Act, 1901-1912.

3. Mr. Long observes that Mr. Beckett has sent a copy of his despatch to the Governor-General, but he does not think it advisable to communicate with the Commonwealth Government in the matter, as he feels strongly that any attempt to hasten unduly a decision on the question of the entry of Indians into Australia, or to force the Commonwealth Government into a declaration of policy, would be most ill-advised.

I am, &c.,

HENRY LAMBERT.

57701

No. 36.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 23rd November, 1917.)

[Copy to India Office, 5th December, 1917. L.F.]

(No. 362.)

Commonwealth of Australia, Governor-General's Office,

SIR, Melbourne, 13th October, 1917.

I HAVE the honour to inform you that Mr. W. R. D. Beckett, His Britannic Majesty's Consul-General at Batavia, forwarded to me copy of his despatch No. 224, dated 17th July, 1917,|| which he addressed to His Majesty's Principal Secretary of State for Foreign Affairs on the subject of the admittance of British

* No. 33. † 4352/13: not printed. ‡ No. 34. § Sub-Enclosure in No. 33.
|| Enclosure in No. 33.

Indians into Australia. I forwarded the papers to my Prime Minister for his information, and Mr. Hughes has furnished me with a reply thereto which I have forwarded to Mr. Beckett, and a copy of which I have the honour to enclose for your information.

I have, &c.,
R. M. FERGUSON,
Governor-General.

Enclosure in No. 36.

(17/2015/4.)

Commonwealth of Australia, Prime Minister,
Melbourne, 4th October, 1917.

SIR,

WITH reference to the despatch dated 17th July, 1917, from His Britannic Majesty's Consul-General at Batavia, on the subject of the admission of British Indians into Australia, I have the honour to invite Your Excellency to be so good as to inform the Consul-General that the Government and people of the Commonwealth are by no means unmindful of the powerful assistance that has been rendered by the Government and people of India in the prosecution of the War; and in no portion of the Empire have the valiant deeds of the Indian soldiers in France, Gallipoli, and Mesopotamia excited warmer admiration than in the Commonwealth of Australia.

The decision which has occasioned the Consul-General's letter was therefore given out of no feeling of disrespect to the people of India, but only in accord with what has long since been established as the settled policy of Australia.

The Consul-General is doubtless familiar with the terms of the Immigration Act, but he may not be aware that the form of this law was adopted in direct consequence of the representations of the Imperial Government. The object of the law, as is well known, was to prevent the introduction of Asiatic and Polynesian races into Australia, and though the law does not particularly refer to any races its administration has always been conducted with that specific end in view.

It is the practically unanimous desire of the people of Australia that this continent should be peopled by white races, and it is universally believed that this ideal cannot be achieved or maintained if free admission is permitted to people who, however worthy they may be and dignified their traditions, for social or economic reasons cannot be assimilated into our community. Trade reasons have no relation to, and derogate nothing from, the standings of races that biologically may not be adapted to form a composite whole.

The Consul-General will therefore understand that the reference to the policy of Parliament in the previous communication meant the principles which the Parliament had in view in passing the Immigration Act, and the administrative practices referred to are those rules of departmental procedure which have been laid down to give effect to that policy.

I do not propose at the present time to anticipate discussions which may arise at the end of the War, should any suggestions be made by the Imperial Government to the Dominions to modify their policy with regard to the Indian people, further than to say that I see no indication of any willingness on the part of the people of the Commonwealth to abandon principles which they believe are essential for their very existence.

I am heartily in accord with the suggestion of the Consul-General that an endeavour should be made to promote the oversea trade and the most effective relations of friendship and co-operation between India and Australia, and any specific means of combating German influences or ousting them from the trading position which they occupied prior to August, 1914, will receive the attention of this Government, but the specific case which he had in view appears to have no bearing on that aspect of our commercial relations.

It is now over ten years since an arrangement was made with the Indian Government similar to that in force with regard to Japanese and other people, under which *bona fide* merchants or tourists from that country were allowed to visit Australia, but, while the Japanese have taken extensive advantage of that arrangement, I am not aware that the people of India have made use of it to any appreciable degree. Unfortunately the class of Indians who in the past used to come to Australia were not, in most cases, of the commercial orders. They were nearly always mere labourers or hawkers.

While on the whole they have proved themselves respectable law-abiding men, their presence is not desired, and no additions to their numbers can be permitted.

The admission of the particular persons to whom the Consul-General referred would undoubtedly have involved a serious departure from the settled policy of Australia, and would have created a precedent leading possibly to the introduction of substantial numbers of persons of a class whose admission the law was designed to prevent.

I have, &c.,
W. M. HUGHES.

Governor General,
His Excellency
The Right Honourable
Sir R. C. Munro-Ferguson, P.C., G.C.M.G.,
&c. &c. &c.

III. UNION OF SOUTH AFRICA.

(A) Correspondence arising out of the Imperial War Conferences
of 1917 and 1918.

11607

No. 37.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 21st February, 1919.)

(Confidential.)

SIR,

Governor-General's Office, Cape Town, 8th January, 1919.

I HAVE the honour to inform you that I have referred to my Ministers, for their consideration, your despatch, Dominions No. 476, of the 28th August,* on the subject of the treatment of British Indians in the Self-governing Dominions. I have not yet received the views of the Union Government on the resolution† of the Imperial Conference or on the questions affecting South Africa which were raised by Sir S. P. Sinha in his memorandum.‡ Ministers will no doubt desire to discuss the subject with Mr. Burton, and, as he has been in Pretoria only for a very short time since his return, I have not mentioned the matter. I shall take an early opportunity of doing so, but, in the meantime, I think it well to send you my own views on the various questions involved.

2. The number of Indians in Natal is about 135,000 (against a white population of 120,000), in the Cape Province 7,000, in the Transvaal 10,000, and in the Orange Free State only a few hundreds. The most important, and, I think, the most difficult problem affecting these people is that of the issue of trading licences. Apart from those who are waiters or domestic servants, most of the Indians in the Cape and the Transvaal, and many of those in Natal, are engaged in wholesale or retail trade. As traders they are in direct competition with the only other trading community in the country, the European. In some branches of trade, such as hawking and peddling, the Indians have a practical monopoly; as shopkeepers and wholesale merchants they are as yet only formidable competitors. The European view appears to be that the position of the white shopkeeper is being more and more seriously menaced by the extension of Asiatic trading; and, indeed, the growing vehemence of the denunciations of local authorities by the Indian community to some extent confirms this opinion. I have endeavoured to test the accuracy of the current statements on both sides by actual figures of licences issued to Asiatics and to other persons in each Province over a period of years, but, in the absence of any proper record of Asiatic applications, I have been unable to obtain any such figures.

* No. 8.

† Resolution XXI: see page 5.

‡ Pages 245-248 of [Cd. 9177].

3. I attach a memorandum on the requirements of the present licensing laws in the Cape, the Transvaal, and Natal. In view of the suggestion made by Sir S. P. Sinha that there should be "the fullest right of appeal to the Provincial Division of the Supreme Court," I have thought it desirable in the memorandum also to explain the powers of the Courts in each Province, and to refer to some of the many decisions affecting Indians. I may here briefly review, and on certain points supplement, what is said in the memorandum.

4. In the Transvaal the Magistrates' Courts have established, I think, beyond question, their right on appeal to consider the merits of applications, and not merely the correctness of the procedure before the local authority. It is characteristic of Transvaal legislation that an appeal should be allowed from the Town Council to the Magistrate, and not to the Supreme Court. Since the days of Crown Colony Government the Magistrates in this Province have had more extensive judicial and administrative powers than those of other Provinces. The Transvaal has a strong magisterial bench, and Indians can be confident of obtaining substantial justice. On the other hand, there are signs of a possible agitation for an amendment of the present Ordinance, which would leave municipal authorities free to persecute Indian traders. I enclose a Press report* of a public meeting held recently in Krugersdorp, from which you will see the trend of, at any rate, one section of public opinion. Krugersdorp has for years been a dying town, owing to the disappointing development of the reef at that end of the Rand, and it is probably difficult for any trader to make a living there; but similar meetings have been held in other towns in the Transvaal, and there is no doubt as to the strength of the anti-Indian group.

5. In the Cape the legal position is perhaps less satisfactory than in the Transvaal. The Courts are reluctant to intervene, partly because the wording of the Ordinance does not encourage intervention, but also no doubt owing to the greater respect felt for local authorities in the Province in which they have been longest in existence. The Administrator has used the limited power of review allowed him by the Ordinance in at least one recent instance, and that against the Cape Town City Council; but his action led to a strong protest from the rate-payers, which would have intimidated any Administrator who was not, like Sir Frederick de Waal, temperamentally incapable of being intimidated. As regards public opinion, it is true that the Indians have the municipal franchise in the Cape, and also that there is no real colour bar in that Province. But it must be remembered that the total Indian population of the Cape is less than seven thousand souls, so that their power of influencing municipal elections is not very great; and the colour bar is more a matter concerning the artisan and labouring classes than the trading community. On the whole, the Press report,† which I attach, of a discussion the other day in the Cape Town City Council on Indian licences, probably reflects present European opinion in that Province.

6. Natal is the real home of the South African Indian. The people of that Province deliberately fostered Indian immigration, and they owe much of their prosperity to the Indians. This is often forgotten in Natal, but some sense of the obligation persists in the licensing laws. They go further than those of any other Province to meet the Indian demand for justice, and the officials and Courts which have interpreted them appear on the whole to have done their work in a liberal spirit. As Sir William Solomon's Commission of 1914 pointed out, half the objections to Indian applications for licences in Natal come from other Indians. In the other Provinces the Indian traders are a small minority competing against Europeans; in Natal the Indian population is larger by one-third than the European. From time to time strong local prejudice against Indian traders comes to light. In a recent licensing case which made some stir, that of *Kavodia versus The Dundee Chamber of Commerce*, it was brought out in Court that the Chamber of Commerce had retained a solicitor to oppose all applications by Asiatics to the Licensing Officer, whether for new licences, transfers, or renewals. But Dundee, like Krugersdorp, is a stagnant, even a moribund, community; and I can find no evidence that in the normally prosperous towns, such as Durban, Indians who are fit and proper persons to hold licences have any difficulty in obtaining them.

7. This, briefly, is the position in each Province to-day. If I am asked what practical steps can be taken to remove causes of friction and to provide further

safeguards in the interests of the individual Indian, I can only reply in the words which Mr. Gandhi used in his last public speech in South Africa in 1914:—"Most Indians are natural traders. There are bound to be trade jealousies and those various things that come from competition. I have never been able to find a solution of this most difficult problem." It is no doubt wrong in principle that a Town Council, many of the members of which are trade rivals, should be the authority empowered to issue licences to Indians. It would be more satisfactory if such licences were issued by officers of the Union Government, such as the Magistrates. But I can see no prospect of any such change being brought about. The great majority of the Indians whose applications are refused are undoubtedly persons who, for sound reasons of public health, are unfit to hold licences for the sale of food; and it is inconceivable that local authorities would admit any outside official, even a Magistrate, as the arbiter of its public health by-laws. Again, while it is right that Indians and all other applicants for licences and objectors against the grant of licences should have access to the Courts, a wide discretion must clearly be left to the original licensing authority unless the Courts are to be flooded with trivial actions that cannot possibly be sustained. It would, of course, be desirable that the legal position should be the same in all Provinces, but there seems little prospect at the moment of obtaining any such uniformity, and the attempt, if unsuccessful, might leave the Indians in a much less favourable situation than at present.

8. It is possible that the system of Provincial Government may be radically altered. In that event a general reconsideration of the licensing laws might be necessary, and special attention could then be drawn to the position of the Indians. But, unless and until some change takes place, and provided that the present licensing laws remain in force, I feel grave doubt as to the wisdom of any attempt to benefit the Indians through the intervention of the Union Government. If in any Province legislation were contemplated limiting the rights now enjoyed by the Indians (e.g., if the incipient agitation in the Transvaal led to any proposal in the Provincial Council for the abolition of the appeal to a Magistrate) an entirely new situation would arise, and there would be every reason for strong representations to the Union Government.

9. In close relation to the subject of trading licences is that of the ownership of fixed property in the Transvaal, which is also mentioned by Sir S. P. Sinha. Most Indians who wish to acquire fixed property intend to use it for purposes of trade; and those Europeans who object to the acquisition do so, not because they think it wrong in principle that an Indian should own property at all, but because they do not wish to see new Indian businesses set up in localities inhabited by Europeans, thereby depreciating the value of property generally and diminishing their own trade profits.

10. The legal position is simple enough. By Law 3 of 1885 of the South African Republic Asiatics are prohibited from owning fixed property in the Transvaal. For years they evaded the prohibition by the costly process of arranging for property to be acquired and registered in the name of a European, who then passed a bond in favour of the Asiatic. In 1916, however, the Supreme Court ruled that the prohibition contained in Law 3 of 1885 was of no effect against a limited liability company, even though the incorporators of that company were all Asiatics. This decision has enabled Indians to acquire fixed property freely in the Transvaal by forming limited liability companies of two or more persons under the Transvaal Company Law—a privilege of which they have naturally not been slow to take advantage. The Indians now press for the repeal of Law 3 of 1885, whilst a strong section of the Europeans demands an amendment of the Company Law which will effectively prevent further acquisition of fixed property by Asiatics.

11. This question bristles with difficulties. The encroachment of Asiatic property owners in townships in which Europeans predominate is undoubtedly a serious menace to the European community. On the other hand, if Asiatics are expelled from such townships—expropriation is frequently suggested by rate-payers' associations and similar bodies—it is not clear where they are to go. The bazaars are usually indicated as their appropriate refuge, but even if the number of bazaars were much increased there is no reason to believe that Indian traders would lose their customers (most of whom are the poorer classes of Europeans) as long as they were able to undersell the white trader. The Indians could not be prevented from delivering goods outside the bazaars.

* *Rand Daily Mail*, 12th December, 1918.

† *Cape Times*, 29th November, 1918.

12. It is no doubt the intrinsic difficulties of the subject which have led both the South African Party and the Unionists to shirk it. I am convinced that the longer the question can be kept in the background the better it will be for the Indians. A decision may be forced in a year or two, when the Bill to consolidate the Company Laws of the four Provinces comes before Parliament. That Bill was drafted some years ago, but has been held back owing to the uncertainty as to the legislation which would be introduced in the United Kingdom as a result of the War to regulate the position of alien shareholders. The Union Government have, at the request of certain municipalities on the Witwatersrand, undertaken to consider the question of limited liability companies of Asiatics when the new Company Law is being prepared. All the information before me suggests that it would be impossible for any political party for some time to come to support the Indian request for the repeal of Law 3 of 1885, and the maintenance of the present position is the most that can be hoped for. For this reason I feel that the Indians would be extremely ill-advised to press for the repeal, or even to refer at all to their claims to be on an equality with Europeans as regards the ownership of property. They have the substance, and if they ask for the shadow they are likely to lose both.

13. The suggestion that the municipal franchise, or both the municipal and parliamentary franchises, should be extended to Indians in all the Provinces of the Union raises many difficult questions.

14. As regards the parliamentary franchise, I need hardly remind you that there is no Union franchise law. In each Province the qualification is that which existed in that Colony before Union. It is no secret that the work of the National Convention would have broken down if a common Union franchise qualification had been insisted on. The differences of opinion which confronted the National Convention do not appear to be any less acute to-day. Sooner or later a Union Government must face the question; but there is a general disposition at the present time to leave things as they are. It may ultimately be found that the problem of the native and coloured vote can be circumvented, and that the solution lies in the creation of special electorates. But it does not seem to me that there is much prospect for some years to come of a Government in the Union strong enough to carry out any such radical policy. Nor do I think it likely that any Government which was not prepared to undertake a general revision of the franchise laws would be either willing or able to enfranchise the Indian population or any part of it. For these reasons I am glad to think that Sir S. P. Sinha does not press for the parliamentary franchise, and, indeed, recognizes the obstacles in the way before the Indians could obtain it.

15. The claim of the Indians to the municipal franchise is no doubt stronger, but the real difficulty to be overcome is substantially the same. In the Cape the Indians already have the franchise, "every person of full age" who has the necessary property qualification being entitled to be enrolled as a municipal elector. In Natal, also, they have the municipal franchise. In my despatch No. 506, of 26th June, 1917,* I sent you a report on a draft Municipal Ordinance for Natal which contained a clause disfranchising Indians. As I explained to you, the draft had been prepared by a municipal association, and was not an official draft. The natural anxiety felt by Natal Indians over the disfranchising clause has since been set at rest; the Executive Committee of the Province refused to accept the clause, and the Ordinance passed the Provincial Council as Ordinance 11 of 1918, in a form entirely acceptable to the Indian community. It is thus only the Transvaal Indians whose claim to be allowed to vote at municipal elections remains unsatisfied. Under the Transvaal law the municipal franchise is restricted to "white persons." The natives and the Cape coloured people are under the same disability as the Indians. This exclusion of all persons who are not white from the elementary duties and privileges of citizenship is a part of the deliberate policy of the "colour bar" which still prevails in the Transvaal. How long that policy can be maintained is daily more in doubt. It has been publicly condemned by the Chief Magistrate of the Transkei as the principal underlying cause of recent native unrest on the Rand; it is repudiated by a growing body of intelligent opinion; it is widely recognized to be economically unsound and, indeed, untenable. On the other hand, there is the dead weight of the uninformed and unreasoning masses in favour of maintaining the colour bar at all costs. It is perhaps a good sign that the views of this section appear to be daily more extreme; and there are

* No. 48 in Dominions No. 63.

indications that the policy must before long be submitted to a critical test in the mining and industrial spheres. It is a fatal weakness of the policy that, if a concession is made at one point, others must rapidly follow. For this reason the Indians would, I think, be wise to await the changes which the immediate future may bring before raising an agitation for the municipal vote.

16. There remains the question of the Railway Regulations. My Confidential despatch of 7th August last* contained a full report on this particular Indian grievance, and I wish here only to add one or two observations to what I said then. There are certain passages in Sir S. P. Sinha's memorandum which would, I feel sure, be regarded here as not fairly representing the effect of the Regulations; and there are others which leave it open to grave doubt what would be required to satisfy Indian opinion.

17. The memorandum suggests that the Regulations "extend to other Provinces of the Union (i.e., than the Transvaal) a racial discrimination not hitherto known there." As I pointed out in my despatch of 7th August, it has been the practice for many years in all Provinces to set aside separate accommodation as far as possible for different races. The Regulation, which follows exactly the wording of a Union statute, does not give the Railway authorities any power to discriminate against Indians which they did not previously exercise in the Cape or Natal. The only effect of the Act and the Regulation is to place it on record that the policy of the Union Parliament is to provide separate accommodation of all kinds for persons of different races. There is no departure from "the principle of equality under the law." As far as the Regulation can be said to discriminate against any race or class of persons, it discriminates against Europeans with as much force as against any other race.

18. It is far from clear what provision it is suggested should be made for Indian travellers. The memorandum states that "segregation in travelling would only be tolerable if designed by statute, where exactly equal opportunities and facilities were provided for the different races affected. This is impossible for financial reasons." The segregation at present practised is, however, "designed by statute," and, while it is impossible, not only for financial reasons, to carry it out completely *at once*, there is no reason why the policy should not gradually be put into full operation; and, indeed, the Railway Administration have every intention, and have repeatedly and publicly expressed that intention, of providing equal facilities as rapidly as possible. By "equal facilities" I mean such an arrangement of train services and of rolling stock that each Indian or coloured or native passenger may find no more difficulty in obtaining accommodation amongst people of his own race, whether he has bought a first-, a second-, or a third-class ticket, than a European would find. I would add that this seems to me the only fair or possible policy in the conditions of this country, and that the Indians would be wise frankly to recognize this.

19. It may be said that the only conclusion from my remarks on these questions is that little or nothing is likely to be done for some time by legislation to redress outstanding grievances of the Indian community in the Union. The conclusion would be justified. I have tried to indicate that a settlement of these questions is dependent on a change in the public opinion of Europeans in the Union. In the letter which he wrote to General Smuts after the 1914 settlement, Mr. Gandhi explained why he had declined to meet the wishes of many of his countrymen that he should include licensing and land ownership questions amongst those for a settlement of which the passive resistance movement was to be carried on. He said: "I have told my countrymen that they will have to exercise patience, and by all honourable means at their disposal educate public opinion so as to enable the Government of the day to go further than the present correspondence does." These questions are essentially amongst those on which no Government, whatever its own views, could hope to legislate unless there were a strong body of public opinion behind it. It does not appear to me that that force of opinion yet exists; but it would, I think, be wrong to conclude from individual licensing scandals, or from the speeches made at public meetings, such as those at Krugersdorp and Boksburg, to which I have referred above, that the country is sinking deeper into the mire of colour and racial prejudice. Indeed, in spite of such outward manifestations to the contrary, there are, I am glad to think, indications that those prejudices are weakening. On the negative side, it must be remembered that the Press in this country, speaking generally, is far from

* No. 55.

reflecting the sober opinions of the average man; it is much too fond of working up artificial sensations. The real enemies of Indian applicants for licences, particularly in the Transvaal, are not, as one might gather from the newspapers, all British subjects *pur sang*, inspired by a disinterested determination to make this "a white man's country." Most of them are aliens from the ends of the earth—Jews from Russia, Poland, and Galicia, Portuguese and Neapolitans, Greeks and Dalmatians. Their presence here is regretted by the ordinary English or Dutch citizen at least as keenly as that of the Indians. Their influence in public affairs is no doubt greater than it ought to be, but it is much less than the Press would have us believe.

20. But, apart from such negative indications, there is valuable positive evidence of a more benevolent attitude towards Indians. The loyalty of the Indian Empire and the brilliant part taken by its people in the War, have undoubtedly made a deep impression. The ignorance of the ordinary South African in regard to India and the Indians has been abysmal; he has known nothing of their affairs and has felt no interest in them. That attitude is changed. It is not only that India has been prominent in the Press during the last four years; many thousands of South Africans have fought side by side with Indian troops in East Africa, and have lived on terms of mutual respect, and even of comradeship, with them. No complete and immediate revulsion of feeling can be expected here. Old prejudices die hard, and it must not be forgotten that there is a genuine and serious conflict of interests at many points between Indians and Europeans in South Africa. But the experiences of the War have introduced a leaven of understanding and sympathy into the public opinion of this country which is bound to modify that opinion in an ever-increasing degree. I need only give two illustrations of the change which has already come about. For years the Indian community fought for the right to travel on the municipal tramcars in Johannesburg. About three years ago they were allowed to occupy the half-dozen back seats on the outside of each car. Even this concession was resented by the public, and there was more than one unfortunate incident in which an unoffending Indian was flung off a car. To-day it is common to see Indians taking their seats without question anywhere on the outside of the cars. My other illustration is, perhaps, more important, if less significant of the altered views of the man in the street. During the last session of Parliament a Unionist Member gave notice of a motion calling for legislation so to amend the Company Law of the Transvaal as to prevent persons prohibited by law from holding land from evading that prohibition by turning themselves into limited liability companies. The Indians were not mentioned in the motion, although it was directed against them alone. (I have referred above to this popular method of evading Law 3 of 1885.) The Unionist Member was an ambitious and energetic young man, anxious to shine with his constituents. A lively agitation was worked up on the Rand through the Ratepayers' Associations and the branches of the Unionist Party. The subject was boomed by the Johannesburg Press. The Member travelled all the way to the Rand to address a "crowded and enthusiastic" meeting of his supporters. Before the day arrived for which the motion had been put down it was postponed. It was postponed for a second time, and, after an inglorious career of a month on the Order Paper, disappeared altogether. The explanation was that the Member had been told both by his own Party and the Government, who between them represented three-fourths of the House, that he must withdraw his motion.

21. I would only say, in conclusion, that the future of the Indians in South Africa seems to depend largely on themselves. If they will refrain from all extreme and provocative agitation, while allowing no opportunity to pass of impressing their reasonable aspirations on the European population, I cannot doubt that they will in time come to be regarded as a useful and influential section of the community. At the present time they feel, I think, the want of a leader. In Mr. Gandhi they lost one of the most remarkable men of their race, to whose courage, high character, and, to a European, almost incomprehensible purity of motive, they owe most of what they have gained during the last twelve years. The recent death of Mr. Cachalia has removed the only one of the Enigenoi who seemed able to speak with authority for the great mass of his countrymen in the Union. Moving in a different plane from Mr. Gandhi, Mr. Cachalia had yet by honesty

of purpose and upright dealing gained the esteem of all the Europeans with whom he was brought into contact.

I have, &c.,
BUXTON,
Governor-General.

Enclosure 1 in No. 37.

MEMORANDUM ON TRADING LICENCES AS AFFECTING INDIANS IN THE UNION.

THE laws governing the issue of trading licences differ in the different Provinces of the Union. In this memorandum it is proposed to state briefly the present law in each of the three Provinces of the Transvaal, the Cape, and Natal, and to refer to certain decisions of the Courts in cases in which Indians were interested. It is not necessary to deal with the law of the Orange Free State, because there are very few Indians resident in that Province.

Transvaal.

Every general dealer (i.e., any person who carries on trade or business in a shop, store, or other fixed place where goods are sold or exposed for sale) is required to obtain an annual licence. These licences are issued by the officers of the Inland Revenue Department. (This is a department of the Union Government which collects revenue for the Union, and, by arrangement, for the Provincial Administration; it has its own officers in the larger towns, and works through the Magistrates and their staffs in other districts.) There is no special qualification required by an applicant for a general dealer's licence, and it does not appear that Indians have any difficulty in obtaining such licences.

Under the Provincial Local Government Ordinance of 1912 a local authority (i.e., a Town Council, or Village Council, or Health Committee) is empowered to issue licences in respect of premises where articles of food or drink are manufactured or prepared for sale or use, or stored or sold. As a general dealer's licence without the power to sell articles of food is of little value to anyone, it is, in practice, necessary for almost all Indian shopkeepers to obtain a licence from the local authority in addition to a general dealer's licence. All the disputes which have arisen are over the issue of licences by local authorities.

The Ordinance empowers a local authority to refuse a licence to sell articles of food or drink (1) on the usual grounds of public health, and (2) to any applicant who, "in the opinion of the Council, is not a desirable person to hold such a licence." Any applicant for a licence whose application has been refused may appeal against the Council's decision to the Magistrate, and if the Council fails to satisfy the Magistrate on the appeal that the licence was refused on good and sufficient grounds, the Magistrate may order the Council to grant the licence.

It has been suggested by Mr. Polak that there is only a nominal appeal to the Magistrate, and that the Magistrate's functions are confined to satisfying himself that the forms of the law have been complied with. "He may not," in Mr. Polak's opinion, "go into the validity of the reasons for refusal, which the municipality is not required to give." This view is hardly consistent with the wording of the Ordinance, nor is it borne out by recent magisterial decisions. Press reports* of the judgments in two recent appeals against the Krugersdorp Town Council are attached. In each instance the Council was ordered to grant the licence, and in one case the Magistrate, in discussing his own powers, observed that, "if the Councillors performed certain mechanical acts, it was not for the Court to follow blindly in their footsteps." There is no evidence that an Indian applicant who has been refused a licence without good reason by a local authority is at the present time unable to obtain justice if he appeals to the Magistrate.

Cape Province.

The issue of trading licences in the Cape Province is governed by the Provincial Ordinance No. 14 of 1913, the Licences (Consolidation) Ordinance. Under that Ordinance, before a licence can be issued for carrying on the trade of a baker, butcher, general dealer, greengrocer, or hawker, a certificate must be obtained from a Municipal Council, a Divisional Council, or a Village Management Board.

* Rand Daily Mail, 7th September, 1918.

The Council is instructed to refuse to grant the certificate if either the Health Officer or the Senior Officer for the Police for the area reports unfavourably upon the applicant. If there is no such objection, the Ordinance provides that a Council shall grant an application for a certificate unless the majority of the whole number of its members is opposed to the issue of the certificate, in which case the Council shall refuse the application.

Nothing is said about any appeal to the Courts, but the Administrator of the Province is empowered by the Ordinance to issue the necessary certificate himself if he is satisfied that the application has been refused by a local authority solely on the ground that there are already a sufficient number of persons carrying on that particular trade in the particular area.

There have been two recent judgments of the Supreme Court in cases in which local authorities had refused to issue certificates to Indians. One of these was the case of Mr. Pillay, of Port Elizabeth, about which a good deal has been written in papers such as *Indian Opinion*. Mr. Pillay applied to the Port Elizabeth Town Council for a certificate that he was a fit and proper person to obtain a licence. At the meeting at which his application was considered the Mayor remarked "that he wished to say straight out that the City Councils and Municipalities throughout South Africa had for many years agitated in order to restrict Asiatic trading." The application was refused by the Council, and Mr. Pillay then applied to the Supreme Court for the proceedings to be set aside on the ground that his application had been refused solely because he was an Asiatic. He obtained from the Supreme Court an order calling on the Council to consider the application on its merits. The Council again considered the application, and, after discussion, again refused it, only two Councillors voting for granting the certificate. Mr. Pillay returned to the Supreme Court, and asked that the proceedings should be again set aside on the ground that the Council had again failed to consider the application on its merits. They had discussed it in Committee, and had failed to give the grounds of refusal. The Supreme Court dismissed this second application of Mr. Pillay's and held—

- (a) that, as the subject had been fully and fairly discussed, and there had been a division of opinion in the Council, the application must be held to have been considered on its merits;
- (b) that the Council was entitled to consider the application in Committee; and
- (c) that the Council was not obliged to state its reasons for refusing the application.

In a similar case another Judge of the Supreme Court has ruled that there is no ground for interference by the Courts provided the Council can show that its members brought their minds to bear upon the application, and that there was nothing improper in the procedure before the Council.

Natal.

In Natal the relevant statutes are the Dealers' Act, No. 18 of 1897, with the amending Act No. 22 of 1909. The Dealers' Act covers licences for wholesale and retail dealers, hawkers, native eating-houses, Indian eating-houses, stationers and booksellers, and maltsters.

Licensing Officers are given a discretion to issue or refuse a licence. An appeal lies to the Town Council or to the Licensing Board of the Magisterial Division, if the licence is sought for premises outside the municipal area. The Act expressly provides that "a decision come to by a Licensing Officer . . . shall not be liable to review, reversal, or alteration by any Court of Law." The municipalities appoint their own Licensing Officers, and for the rest of Natal there is one Licensing Officer appointed by the Provincial Administration. A Provincial Ordinance of 1916 gave power for the appointment of a Special Board of Appeal for the whole Province (excluding the municipal areas) in place of the Liquor Licensing Boards of the several Magisterial Divisions. The Special Appeal Board has not yet, however, been appointed.

Act 22 of 1909 allows an appeal to the Supreme Court against the decision of the Town Council or Licensing Board in the matter of the renewal of licences.

Although the jurisdiction of the Supreme Court on appeal is ousted by the Act of 1897, licensing cases have been frequently before that Court, and several important decisions have been given.

1. It has been more than once ruled that an application cannot be refused merely on the ground that the applicant is an Asiatic. In the words of the Judge President: "No doubt there is the discretion of the Licensing Officer, but I cannot think that it was intended that he should exercise it by refusing to consider the applications of persons merely because they belong to a section of the community which he thinks should be debarred from trading at all in competition with other sections. The Act makes no distinction between Europeans and the Asiatic community, and to say that no Asiatic need apply for a licence which will take the place of a licence formerly held by a European means, in my opinion, a refusal to exercise the jurisdiction committed to the licensing authority as regards Asiatics."

2. That an application for the transfer of a licence must be regarded as an application for a new licence and not for a renewal.

3. That, although the Act of 1897 expressly gives to a Town Council or Licensing Board an absolute discretion as to the grant or refusal of applications for new licences or for transfers—a discretion which cannot be appealed against—there is still a field for the intervention of the Supreme Court. It can entertain such questions as whether the discretion was exercised in good faith after fair inquiry, not arbitrarily or capriciously, but bearing in mind the interests both of the public and of the applicant, and within the limits of the statute.

4. That where the matter concerns the renewal of a licence, the Supreme Court is entitled to consider the application on its merits, and not merely to examine whether the Licensing Officer has proceeded arbitrarily or capriciously in the exercise of his discretion.

It will thus be seen that the Natal Courts have strongly asserted their right to intervene, and have used that right to safeguard the interests of Asiatic applicants for licences.

20457

No. 38.

INDIA OFFICE to COLONIAL OFFICE.

(Received 16th May, 1919.)

India Office, Whitehall,

London, S.W.1, 15th May, 1919.

SIR,

I AM directed by the Secretary of State for India to acknowledge the receipt of Sir H. Lambert's Confidential letter of the 27th March,* transmitting copy of a despatch† from the Governor-General of South Africa regarding the questions affecting the position of British Indians in the Union, which were raised in the memorandum by Lord Sinha presented last year to the Imperial War Conference. Mr. Secretary Montagu wishes to convey to Viscount Milner an expression of his appreciation of the valuable discussion of these questions and résumé of the existing situation contained in the Governor-General's despatch, which he proposes to forward for the confidential information of the Government of India, while awaiting the views of the Union Government on these questions, as well as on the Imperial Conference's resolution of the 24th July, 1918.

I am, &c.,

P. H. DUMBELL.

29457

No. 39.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential.)

MY LORD,

Downing Street, 26th May, 1919.

In continuation of my Confidential despatch of the 31st of March,‡ I have the honour to inform you that the Secretary of State for India has expressed his appreciation of the valuable discussion of questions affecting the position of British Indians

* 11607: not printed.

† No. 37.

‡ 11607 (acknowledgment): not printed.

in the Union and the résumé of the existing situation contained in your Confidential despatch of the 8th of January,* which he proposes to forward for the confidential information of the Government of India, while awaiting the views of the Union Government on these questions as well as on the Imperial Conference Resolution of the 24th of July, 1918.

I have, &c.,
MILNER.

(B) Union Railway Regulations.

989

No. 40.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.55 p.m., 4th January, 1918.)

TELEGRAM.

(Paraphrase.)

NUMEROUS protests have been received by me from Indians and coloured people against a certain section of the new Union Railway Regulations. Point at issue is the interpretation of that clause of the Railway Control and Management Bill referred to in the third paragraph of my Parliamentary despatch of 18th March, 1916.† and the questions now raised are similar to those considered in the Transvaal in 1910. See Hadfield's despatch No. 104, of 27th May, 1910.‡ I am of opinion offending section present Railway Regulations should be amended, and I have made private representations to the Prime Minister and the Minister of Railways. I hope these may succeed, but I cannot, of course, say at present whether they will. This telegram is sent in order that you and Government of India may know that question has arisen and is under consideration.—BUXTON.

2115

No. 41.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.50 p.m., 10th January, 1918.)

[Copy to Foreign Office and India Office, 12th January, 1918. L.F.]

TELEGRAM.

(Paraphrase.)

My telegram 4th January.§ My view has now been concurred in by Minister of Railways, who has decided to withdraw obnoxious part of section. The Indians will probably not be satisfied with this decision, but the section will now be practically identical with the clauses agreed on in the Transvaal in 1910 and in harmony with the Union Parliament's decision in 1916.—BUXTON.

989

No. 42.

COLONIAL OFFICE to INDIA OFFICE.

(Confidential.)

SIR,

Downing Street, 12th January, 1918.

I AM directed by Mr. Secretary Long to transmit to you, for the information of the Secretary of State for India, a copy of a telegram§ from the Governor-General of the Union of South Africa regarding protests which he has received against racial differentiation in the new Union Railway Regulations.

* No. 87. † 16724: not printed. ‡ No. 172 in [Cd. 5363]. § No. 40.

I am to enclose a copy of Act 22 of 1916, which is the Bill referred to by the Governor-General, and of paragraph 3 of the Governor-General's Confidential despatch of 18th March, 1916,|| and to observe that a copy of Major-General Hadfield's despatch No. 104, of the 27th May, 1910, accompanied the letter of the 2nd July, 1910,† from this Department, and that it is printed in [Cd. 5363].‡

I am, &c.,

HENRY LAMBERT.

989

No. 43.

COLONIAL OFFICE to FOREIGN OFFICE.

(Confidential.)

SIR,

Downing Street, 12th January, 1918.

I AM directed by Mr. Secretary Long to transmit to you, for the information of Mr. Secretary Balfour, a copy of a telegram§ from the Governor-General of the Union of South Africa, regarding protests which he has received against racial differentiation in the new Union Railway Regulations.

2. I am to explain that the reason for bringing this telegram to Mr. Balfour's notice is that, according to the statement in the *Times* of the 5th instant, the new Regulations apply to Asiatics generally and affect Chinese as well as Indians.

3. I am to enclose a copy of Act 22 of 1916, which is the Bill referred to by the Governor-General, and of the third paragraph of the Governor-General's Confidential despatch of 18th March, 1916,|| and to observe that Major-General Hadfield's despatch No. 104, of 27th May, 1910, is printed in [Cd. 5363].‡

I am, &c.,

HENRY LAMBERT.

8788

No. 44.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 19th February, 1918.)

(No. 17.)

SIR,

Governor-General's Office, Cape Town, 16th January, 1918.

I HAVE the honour to transmit to you herewith the following documents on the subject of section 19 of the Railway Regulations:—

Extract from the *Cape Times* of Wednesday, 9th January, 1918.

Resolution* passed at a special meeting of the Tamil League, forwarded by V. S. Pillay, Pretoria.

Telegram,* dated 27th December, 1917, from the Hamidia Islamic Society, Johannesburg.

Letter,* dated 4th January, 1918, from the Honorary Joint Secretary, Hamidia Islamic Society, Johannesburg (with enclosure).

Letter,* dated 28th December, 1917, from the Honorary Joint Secretary, British Indian League of the Transvaal Province, Johannesburg (with enclosure).

Letter,* dated 29th December, 1917, from Dawad Mahomed, Durban.

Letter,* dated 31st December, 1917, from the Organizing Secretary, African Political Organization, Johannesburg (with enclosures).

Minute No. 2005,* dated 31st December, 1917, from Ministers.

Telegram,* dated 31st December, 1917, from the British Indian Council, Port Elizabeth.

Letter,* dated 1st January, 1918, from Imam Kamaldien, Chief Priest, Malay Community, Vrededorp, Johannesburg (with enclosure).

Telegram,* dated 1st January, 1918, from Mr. J. Ressonw, Secretary of the African Political Organization, Pietermaritzburg.

* Not printed. † No. 177 in [Cd. 5363]. ‡ No. 172 in [Cd. 5363]. § No. 40.
|| 16724: not printed.

Telegram,* dated 3rd January, 1918, from the President, British Indian Council, Cape Town.

Letter,* dated 5th January, 1918, from the Honorary Secretary, African Political Organization, Pretoria.

Letter,* dated 6th January, 1918, from W. J. Lazarus, Dannhauser (with enclosure).

Telegram,* dated 9th January, 1918, from Hajee Ebrahim Khan, Chairman, Public Meeting, Dundee.

Telegram,* dated 14th January, 1918, from the British Indian Council, Port Elizabeth.

I have, &c.,
BUXTON,
Governor-General.

Enclosure 1 in No. 44.

EXTRACT FROM THE "CAPE TIMES," WEDNESDAY, 9TH JANUARY, 1918.

SEGREGATION ON THE RAILWAYS.—NEW REGULATIONS.—CONTENTIOUS PROVISIONS WITHDRAWN.

In a supplement to the *Union Gazette*, issued on 14th December last, revised South African Railway Regulations were published, and they came into force on the first day of the present year. There are two hundred and forty-nine of these revised regulations, and a number of them are divided into several subsections. Printed in the two languages, the supplement consists of forty-two pages of small type. The variety of the matters dealt with may be judged by the headings of sections, which are as follows: Passengers, Season Tickets, Luggage, Baggage, Cloak-rooms, Parcels, Insurance, Live Stock, Vehicles, Corpses, Empties, Goods, Lost Property, Ledger Accounts, Coal Stands and Forwarding Sites, Private Sidings, Refreshment Catering, and Miscellaneous. Of these new regulations the most contentious, if not intrinsically the most important, was framed in connexion with the provisions of subsection 5 of section 4 of Act No. 22 of 1916 (the Railways and Harbours Control and Management Act), which gave statutory authority for the "reservation of railway coaches or portions thereof for the exclusive use of persons of particular races, or different classes of persons or natives, and the restriction of any such persons to the use of any such coaches or portions thereof so reserved." In the Senate in March last Senator Munnik called attention to the fact, with special reference to the Sea Point Railway, that effect had not been given to these provisions of the law. In replying on that occasion, Mr. Burton, the Minister of Railways, made the following remarks:—

"The regulations have been completed in draft form, and are under revision by the Railway solicitors. They will be promulgated at the earliest possible date, and on their promulgation arrangements will be made to give effect to the segregation provisions of the Act, which already are being observed generally on all long-distance trains, and in local traffic in the inland Provinces. I may mention, however, that the matter to which the Honourable Senator directs attention is a problem that is not easily solved. Many practical difficulties frequently overlooked by the public have to be faced in giving effect to these provisions of the Act. They are not difficulties that can be overcome merely by the enforcement of the regulations, which will at the outset have to be judiciously and gradually applied so as to accustom passengers to the new conditions. As an illustration of one of the Administration's many difficulties, I would quote, for the Honourable Senator's information, the following incident of recent date: After a dispute between two lady passengers as to whether a carriage window should be open or closed, one of these ladies asked to be moved to another compartment, as she did not wish to travel with the other lady, whom she alleged was coloured. On the complainant being moved into another compartment, the lady who already occupied that compartment complained indignantly of a coloured woman being placed in her compartment—that is to say, the complainant in the one case formed the subject of the complaint in the other on the same grounds. So far as the examiner could judge, neither lady was coloured. I may add also that many of those who are most insistent upon segregation in theory are those with whom the Administration has the greatest difficulty on the trains, by reason of their insisting upon their coloured servants travelling with them in the same compartment."

This was the origin of Regulation 19, published with the others in the *Gazette* of 14th December, so as to come into operation on 1st January last. * * * * *

It is, of course, impossible in the limited space at our disposal, to notice even the chief points of importance in these new and revised regulations, but those relating to the vexed question of the conditions under which native and coloured passengers may travel in future upon the South African Railway may be quoted in full. These conditions are laid down in Regulation 19, which has many subdivisions, and which reads as follows:—

"19. (a) The Administration may, where practicable, set apart any portion of a train for passengers of particular races or different classes of persons or natives. No passenger for whom a portion of a train is so reserved may travel or remain in any other portion; and the Administration may refuse to carry him in any other portion of the train. A portion of a train so set apart shall be legibly marked 'Reserved.'"

* Not printed.

"(b) Any stationmaster, ticket examiner, or guard may remove, or order the removal of, a passenger from one compartment to another without assigning reasons.

"(c) The Administration may refuse to issue a first or second class ticket to any passenger who may, in the opinion of an official, not be dressed in a decent or cleanly condition.

"(d) The Administration may set apart any railway premises or any portion thereof, or any convenience at a railway station or at a stopping place, or on a train for the exclusive use of males or females or persons of particular races or different classes of persons or natives. All such places shall be clearly marked as being so set apart, and their use shall be restricted to the persons for whom their use is so reserved, and when so reserved such persons may not use any other portion of the railway premises or conveniences as aforesaid.

"(e) Non-Europeans (coloured persons or natives) may not travel by the Imperial or Royal Mail trains, or by fast passenger trains, or any other trains specially excepted from time to time either in the official tariff book or by public poster.

"(f) Non-Europeans (coloured persons or natives) will only be allowed to travel in the compartments or coaches specially set apart for their use, and they may not frequent or remain standing in the corridors in any portion of a coach which is set aside for European passengers.

"(g) The stationmaster at any station is authorized to make an exception to this rule if, in his opinion, the circumstances are such as to justify the adoption of such a course, and to issue a first or second class ticket to a native, subject to the regulations, but the matter shall be one entirely in the discretion of the stationmaster, which shall only be exercised under the following circumstances:—

"(1) Application must be made to the stationmaster personally by the native or natives who desire to travel in a compartment of an ordinary passenger coach at least half an hour before the departure of the train.

"(2) Each applicant must be suitably dressed in clean European clothes.

"(h) Natives travelling by ordinary passenger or mixed trains in third class coaches with separate compartments will be charged the ordinary third class fares.

"(i) Coloured servants accompanying white passengers may take seats with their employers on payment of the fare for the class in which they travel, provided other passengers in the same compartment do not object.

"(j) All coloured persons or natives must, before commencing a journey, and whilst on a journey, see that all legal formalities, whether in regard to pass laws or otherwise, are duly complied with. The Administration will not make any refund of fares to passengers who are prevented from completing their journey by the police for breach of the pass or other laws."

Numerous protests have been entered against these provisions since their promulgation alike from the Indian, the coloured, and the native community. Some of these protests were sent direct to the Governor-General, others to the Minister, and others to the public Press. It is understood that the Minister considered the tenor of these various representations as soon as he arrived in Cape Town, and has recognized that subsections (e), (f), and (g), which specifically differentiate against non-Europeans as such are in conflict with the views he himself expressed in moving an amendment to the Railway Bill in 1916. Accordingly, these subsections have been withdrawn. It is only right to say that, in a circular issued to the administrative staff simultaneously with the promulgation of the regulations, the General Manager clearly showed that the intention was to fulfil the law in such a way as to create as little inconvenience as possible. "I desire it to be distinctly understood," so runs the concluding paragraph, "that no alteration is to be adopted in the existing methods of dealing with non-Europeans (coloured persons or natives) except upon direct instructions issued from this Office, or through the various divisional officers. Whilst the policy of segregation has been definitely laid down, it will be appreciated that effective steps cannot be taken to carry it out as a whole until the accommodation, conveniences, or facilities, as the case may be, have been suitably marked as having been reserved for the exclusive use of the persons, races, or classes concerned, and even when the initial steps have been completed it will only be by exercising the greatest tact and restraint on the part of all grades that the Administration will be able to carry out its functions in a satisfactory manner and without inflicting any hardship or undue pressure upon any section of the community."

8994

No. 45.

MR. H. S. L. POLAK to COLONIAL OFFICE.

(Received 20th February, 1918.)

[See No. 48.]

47-48, Danes Inn House, 265, Strand,

London, W.C.2, 19th February, 1918.

DEAR MR. LAMBERT,

WITH reference to your letter of the 14th ultimo* regarding the new South African Railway Regulations, I now beg to enclose herewith cuttings from *Indian Opinion* of the 4th and 11th ultimo,† showing that, in response to widespread protests, the Minister of Railways has withdrawn subsections (d) to (g) in section 19 of the Regulations. Whilst this act of justice is much appreciated, the partial withdrawal of the offending section does not remove all cause for complaint.

* 2115: not printed.

† Not reprinted.

As you will observe, feeling has been running very high, and the action of the Union Government is regarded as a breach of the letter and the spirit of the 1914 settlement, when the Government engaged to continue to administer existing legislation "in a just manner and with due regard to vested rights." This, it is submitted, is exactly what the new Regulation, even as amended, fails to do. On the contrary, it carries still further the principle of racial segregation, against which the Indian community has always fought, and which it will never tolerate in this stereotyped form. New powers of interference with individual Indians in the exercise of an elementary and vested right are granted to the officials, in response to the clamour of a few race-fanatics, and the good name of the Administration is being brought once more into disrepute.

Indirectly, officers of the Railway Administration, unfamiliar with the laws and regulations on the subject and the susceptibilities of the Indian community, are being vested with powers under the Immigration Laws and the Transvaal Registration Act. Apart from the principle involved, such promiscuous delegation of powers is bound to result in the utmost confusion and very serious friction between the authorities and the Indian community.

In these circumstances, I would respectfully request that the Imperial Government may ask the Union Government to give the matter further reconsideration, with a view to the immediate withdrawal of the objectionable subsections, whose retention will achieve results in no way commensurable with the immense irritation and dissatisfaction that they have aroused, and which calls into question the good faith and the public pledges of the Union Government.

Yours sincerely,
H. S. L. POLAK.

8818

No. 46.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 20th February, 1918.)

[Answered by No. 47.]

(Confidential.)

SIR, Governor-General's Office, Cape Town, 16th January, 1918.
With reference to my telegrams of the 4th January and 10th January,* I have the honour to transmit to you copies of a telegram which I addressed to the Minister of Railways and Harbours regarding those provisions of the new Railway Regulations which affect coloured persons travelling by rail, together with a copy of Mr. Burton's reply.

2. Under cover of my despatch No. 17, of this date,† I am forwarding copies of various protests which I have received, and which have been duly acknowledged and referred to Ministers. With that despatch is forwarded also an extract from the *Cape Times* containing the text of section 19 of the Regulations, a brief account of the origin and objects of its provisions, and an announcement that subsections (e) to (g) have been withdrawn. The Regulations were published on the 14th December in a supplement to the *Union Government Gazette*, of which copies will be in your possession.

I have, &c.,
BUXTON,
Governor-General

Enclosure 1 in No. 46.

LORD BUXTON, JOHANNESBURG, to BURTON, MINISTER OF RAILWAYS, CAPE TOWN.
TELEGRAM.

31ST DECEMBER, 1917. Personal. I am receiving numerous strong protests from Indian and coloured communities against section 19 of new Railway Regulations. I am referring these to Ministers, but should like to put one or two points to you at once unofficially.

* Nos. 40 and 41.

† No. 44.

Subsections (a) to (d) of section 19 do not appear open to objection. They follow closely both the agreements made in May, 1910, between Ghandi and Governments of Transvaal and Orange River Colony and the principles accepted by House of Assembly in debate on Railway Control and Management Bill in March, 1916.

Subsections (e) to (g), on the other hand, not only contain provisions identical with those deleted in 1910 at Ghandi's request, but their phraseology appears to be repugnant to the amendment which you moved and carried in 1916 for the omission of the words "white or coloured." Moreover, it seems doubtful whether these subsections are necessary or add anything to the provisions of subsections (a) to (d).

I would ask for your serious consideration of the matter. You will, I am sure, agree that an agitation at the present time would have most unfortunate results here and elsewhere.

Please see Sir Thomas Price's letter of 11th April, 1910, to Ghandi, and connected correspondence.

Enclosure 2 in No. 46.

BURTON, CAPE TOWN, to HIS EXCELLENCY THE GOVERNOR-GENERAL,
VILLA ARCADIA, JOHANNESBURG.

TELEGRAM.

8TH JANUARY, 1918. On my return to-day I found Your Excellency's telegram with reference Railway Regulations affecting Indians and coloured people awaiting my arrival. Have now gone carefully into matter with General Manager, and find these Regulations were passed by Railway Board during my absence. I agree with your views as to subsections (e) to (g) of section 19, and have instructed General Manager to delete these from Regulations. Replies in this sense are being sent to all representations which have been addressed to me both directly and indirectly.

8994

No. 47.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 52.]

(Confidential.)

MY LORD,

Downing Street, 1st March, 1918.

I HAVE the honour to acknowledge the receipt of Your Excellency's Confidential despatch of the 16th January* on the subject of the new South African Railway Regulations.

2. I gather that you were under the impression, and I had myself assumed, that the provisions regarding coloured passengers, to which Mr. Gandhi objected in 1910 had been deleted at the time from the Regulations. I find, however, on reference to the official Tariff Book of the South African Railways, No. 4, of 1st May, 1914, that the Regulations 60-63 there printed practically repeated the whole of the Regulations in force in 1910, as set out in the fourth enclosure to Major-General Hadfield's despatch of the 6th May, 1910.† I should be glad to learn the reason for this, and I should be obliged if at the same time I could be furnished with your views on sections 19 (d) and 234 (b) of the new Regulations, the latter of which certainly appears to introduce fresh restrictions in regard to coloured persons.

I have, &c.,
WALTER H. LONG

* No. 40.

† No. 162 in [Cd. 5363].

8994

No. 48.

COLONIAL OFFICE to MR. H. S. L. POLAK.

[Answered by No. 50.]

SIR, Downing Street, 2nd March, 1918.
I AM directed by Mr. Secretary Long to acknowledge the receipt of your letter of the 27th February* regarding the new South African Railway Regulations. As you are aware, subsections (e) to (g) of section 19 of the Regulations have now been deleted, and the remaining subsections appear to follow the agreement arrived at between Mr. Gandhi and the Transvaal Government in 1910 (see pages 102-105, and 114 of [Cd. 5363]).

I am, &c.,
HENRY LAMBERT.

8994

No. 49.

COLONIAL OFFICE to INDIA OFFICE.

SIR, Downing Street, 2nd March, 1918.
WITH reference to the letter from this Department of the 12th January,† I am directed by Mr. Secretary Long to transmit to you, to be laid before the Secretary of State for India, copies of further correspondence‡ regarding the new South African Railway Regulations.

I am, &c.,
HENRY LAMBERT.

13925

No. 50.

MR. H. S. L. POLAK to COLONIAL OFFICE.

(Received 20th March, 1918.)

[Copy to India Office, 8th April, 1918. L.F.]

SIR, Danes Inn House, 265, Strand, W.C.2, 18th March, 1918.
I beg to acknowledge, with thanks, the receipt of your letter of the 2nd instant§ regarding the new South African Railway Regulations, the contents of which I have noted.

With reference to the second paragraph of your letter, I have to remind you of the fact that the agreement arrived at between Mr. Gandhi and the Transvaal Government in 1910, applied, as it was intended to do, only to the Transvaal. It is now proposed to extend the operation of the Regulations then agreed upon, within the limited area, to the entire Union, even to the Cape, where absolute equality of travelling facilities has been enjoyed, both in theory and in practice, from the very commencement of railway travelling in the Colony.

One of the greatest difficulties in inducing Indians in any part of South Africa to consent to administrative limitations being imposed upon any particular right or privilege is the continued tendency on the part of the various authorities to extend the limitation to other sections of the Indian population and to other territories or places for whom or for which it was not originally intended. In other words, the Indian community has constantly the spectacle before its eyes of a process of levelling down its rights and privileges to the position in the most reactionary Province of the Union, in respect of any such matter, rather than the levelling up to the position in the most progressive Province. Such an experience is not favourable to the promotion of a friendly attitude towards innovations of the character of those that have recently been attempted by the Railways Administration in South Africa, but is, on the contrary, rather calculated to bring about a repudiation of any local agreement that may have been formerly made in quite other circumstances than those presently obtaining.

* Not printed: see No. 45. † No. 42. ‡ Nos. 44 to 48. § No. 48.

Apart, however, from these considerations, it is not unreasonable to remind the Union authorities that what might have been locally tolerable in 1910, when Indians were in the midst of a life-and-death struggle in the Transvaal, of which the details are, no doubt, well within your recollection, is not likely to be appreciated, or even tolerated, to-day, when Indians, equally with British subjects from other parts of the Empire, are together fighting for broad principles of mutual toleration and the recognition of the rights of minorities and of small communities. If the spirit of the present great struggle is not to be productive of improved conditions for the Indian community of South Africa I need hardly remind you that the impression that will be created upon the public mind in India is bound to be very unfortunate. For these reasons, therefore, I beg to request once more that the suggestions offered by me in previous correspondence in this matter may be taken into consideration.

I enclose, herewith, further extracts from *Indian Opinion*, of the issues of 18th and 25th January,* respectively, for your information.

I have, &c.,
H. S. L. POLAK.

13925

No. 51.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Copy to India Office, 8th April, 1918. L.F.]

(Confidential.)

My LORD, Downing Street, 5th April, 1918.
WITH reference to my Confidential despatch of the 1st of March,† I have the honour to transmit to Your Excellency the accompanying copy of correspondence‡ with Mr. H. S. L. Polak regarding the new South African Railway Regulations.
2. Mr. Polak's contention that the arrangement made with Mr. Gandhi in 1910 applied to the Transvaal only is not absolutely correct, as it applied also to the Orange River Colony; but the arrangement, being made before the Union (which was then imminent), did not apply to the Cape Province, and on this point Mr. Polak seems to be correct. It is observed that the Regulations contained in the official Tariff Book of the South African Railways of the 1st of May, 1914, to which I alluded in my despatch under reference, are expressly stated to be not applicable in the Cape Province.

3. I should be glad in the circumstances to receive your observations on this aspect of the matter, though I notice that the point is not one to which attention has been specially directed in the representations made by the local Indian community.

I have, &c.,
WALTER H. LONG.

32304

No. 52.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2nd July, 1918.)

[Copy to India Office, 9th July, 1918. L.F.]

(Confidential.)

SIR, Governor-General's Office, Cape Town, 15th May, 1918.
WITH reference to your Confidential despatch of the 1st of March,† I have the honour to inform you that I am drawing the attention of the Minister of Railways to the discrepancy between the Regulations and the Tariff Book.

2. I am sending you, with my despatch No. 360, of 7th May,§ a copy of the new Regulations issued on the 17th April, 1918. These do not appear to me to be

* Not printed. † No. 47. ‡ Nos. 45, 48, and 50. § No. 53.

open to any objection. You will observe that section 234 (b) has been withdrawn and 19 (d) slightly altered to admit of the setting apart of refreshment cars for coloured persons or natives. The new Regulations follow strictly the wording of section 4 (b) of the Railway Control and Management Act of 1916, and, therefore, have the sanction of Parliament. There is a reference to this section of the Act in my Confidential despatch of the 18th March, 1916.*

3. The Indians are still not satisfied, as you will see from a further protest forwarded in my despatch No. 361 of 7th May.† I do not think, however, that such protests are likely to meet with any sympathy or that they are really reasonable.

I have, &c.,

BUXTON,

Governor-General.

32690

No. 53.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4th July, 1918.)

[Copy to India Office, 9th July, 1918. L.F.]

(No. 360.)

SIR, Governor-General's Office, Cape Town, 7th May, 1918.
I HAVE the honour to transmit to you herewith, with reference to my despatch No. 17 of the 16th January,‡ an extract from *Government Gazette* of the 19th April—Government Notice 532—on the subject of railway regulations affecting coloured persons.

I have, &c.,

BUXTON,

Governor-General.

Enclosure in No. 53.

"GOVERNMENT GAZETTE," 19TH APRIL, 1918, DEPARTMENT OF RAILWAYS AND HARBOURS.

THE following Government Notice is published for general information.

W. W. HOY,

General Manager.

Office of the General Manager,
Johannesburg.

(No. 532.)

17th April, 1918.

HIS Excellency the Governor-General has, by virtue of section 4 of Act No. 22 of 1916, been pleased to approve of the repeal of Regulation No. 19 and paragraph (b) of Regulation No. 234, promulgated by Government Notice No. 1728 in the supplement to the *Government Gazette* of the 14th December, 1917, and to approve of the following revised Regulation No. 19, to have effect from the 20th day of April, 1918, viz. :—

19. (a) The Administration may, where practicable, set apart any portion of a train for males or females, persons of particular races, or different classes of persons, or natives. No passenger for whom a portion of a train is so reserved may travel or remain in any other portion, and the Administration may refuse to carry him in any other portion of the train.

(b) Any stationmaster, ticket examiner, or guard, may remove or order the removal of a passenger from one compartment to another without assigning reasons.

(c) The Administration may refuse to issue a first- or second-class ticket to any passenger who may, in the opinion of an official, not be dressed in a decent or cleanly condition.

* 10724: not printed.

† No. 54.

‡ No. 44.

(d) The Administration may set apart any railway premises or any portion thereof, or any refreshment car, or any convenience at a railway station, or at a stopping place, or on a train, as the circumstances may warrant, for the exclusive use of males or females, persons of particular races or different classes of persons, or natives. All such places or conveniences shall be restricted to the persons for whom their use is so reserved, and when so reserved such persons may not use any other portion of the railway premises or conveniences as aforesaid.

(e) Coloured servants accompanying white passengers may take seats with their employers on payment of the fare for the class in which they travel, provided other passengers in the same compartment do not object.

(f) All persons must, before commencing a journey, and whilst on a journey, see that all formalities, whether in regard to any Immigration Law, Martial Law, Pass Law, or any other law are duly complied with. The Administration will not make any refund of fares to passengers who are prevented from completing their journey for breach of any such law or laws.

32691

No. 54.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4th July, 1918.)

[Copy to India Office, 9th July, 1918. L.F.]

(No. 361.)

SIR, Governor-General's Office, Cape Town, 7th May, 1918.
I HAVE the honour to transmit to you herewith, with reference to my despatch No. 17 of the 16th January,* copy of correspondence with the British Indian League, Johannesburg, on the subject of railway regulations affecting coloured persons.

I have, &c.,

BUXTON,

Governor-General.

Enclosure 1 in No. 54.

BRITISH INDIAN LEAGUE, JOHANNESBURG, to GOVERNOR-GENERAL, CAPE TOWN.

TELEGRAM.

27TH APRIL, 1918. Resolution—That, in view of the Indian community emphatic protest in January last against Section 19 of the General Railway Regulations as a deliberate calculated insult to the whole of Asia, in view of the Minister of Railways having adopted the subterfuge of publishing the same Regulations with the same intentions, but with a few minor alterations in the wording which cannot deceive the community, this meeting of the British Indian League hereby solemnly adheres to its previous resolutions in the full knowledge of the justice of its cause, in the full knowledge of the Minister's ambition to humiliate Asiatics by aggressive display of colour pride and colour prejudice. The British Indian community of this Province, in the name of His Most Gracious Majesty the King Emperor of India, solemnly determines to the challenge thrown in the face of Asia for the second time within four months, and further solemnly resolve to passively resist unto the last the reactionary Regulations aforementioned, in the full knowledge of the consequences entailed thereby. Further, it is hoped that the Minister will withdraw the offending Regulations within a fortnight to allay the strong feelings it has raised.

* No. 44.

Enclosure 2 in No. 54.

(No. 39/221.)

SIR, Governor-General's Office, Cape Town, 7th May, 1918.
I AM directed by the Governor-General to acknowledge the receipt of your telegram of 27th April, and to say that the matter to which you refer is one which falls within the responsibility of the Union Government. His Excellency has accordingly forwarded your telegram to his Ministers.

I am, &c.,

P. HORSEFALL,

Secretary to the Governor-General.

The Chairman,
British Indian League,
Johannesburg.

47565

No. 55.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2nd October, 1918.)

[Copy to India Office, 9th October, 1918. L.F.]

(Confidential.)

Governor-General's Office,

Pretoria, 7th August, 1918.

SIR, WITH reference to my Confidential despatch of the 15th May,* I have the honour to transmit, for your information, copy of a semi-official letter which I have received from Sir Thomas Watt, the Acting Minister of Railways. With this letter are enclosed notes of the proceedings when Sir Thomas Watt received a deputation from certain Indian associations on the 11th June to discuss the new Railway Regulation, No. 19, which was forwarded to you with my despatch No. 360, of the 7th May.†

2. In your Confidential despatch of the 5th April‡ you point out that the Regulations agreed to by Mr. Gandhi in 1910 were not applicable in the Cape Province. In that connexion you will no doubt consider the remarks of Sir Thomas Watt addressed to the deputation as to the practice in the Cape Province and Natal in the separation of the races in trains prior to the introduction of the present Regulations, and as to the attitude of the Union Parliament and the white population.

3. Although it may be said that the new Regulation does theoretically alter the position of the Indian community in the Cape Province, the point is, as you observe, not one which has been taken by Indians here. The deputation received by Sir Thomas Watt claimed to represent the whole of the Indian community in South Africa, but they do not appear to have made any use of Mr. Polak's argument. In these circumstances, and as it is obviously desirable that there should, if possible, be a uniform policy in matters of this kind throughout the Union, I doubt if any good purpose would be served by representations to Ministers on behalf of the Indian community of the Cape Province.

4. In my opinion, the deciding factor in the consideration of this whole question must be the fact that the Union Parliament in the Railway Control and Management Act of 1916 definitely accepted the principle that, as far as possible, separate provision should be made on the railways for Europeans and non-Europeans. This principle was laid down in the Act in a form which gives members of all races complete equality before the law, and, as I pointed out in my despatch of the 15th May, the wording of the Act is strictly followed in the new Regulation 19. The principle of separate accommodation for different races seems to me to be the only fair principle in the conditions of this country, and it is supported, not as the Indians sometimes suggest, by a small and prejudiced section of the European population, but by the whole body of responsible European opinion. On their own showing, the great majority of the Indians themselves accept the principle, and they have no more desire to travel with Europeans than Europeans have to travel with them.

* No. 52.

† No. 53.

‡ No. 51.

5. It is in the practical application of the principle at the present time that difficulties may arise. I need not remind you that the rolling stock of the South African Railways has seriously depreciated during the War, owing to difficulties in providing repairs and renewals. This has led to great restriction in the accommodation available for European, as well as coloured, travellers, and, whatever his race, a traveller on the railways to-day has to put up with a great deal of overcrowding and discomfort. There is no prospect of an early improvement in these conditions, and the only solution lies in the exercise of tact and commonsense by all parties. I have no reason to believe that the railway officials, as a class, have any desire to be harsh or oppressive towards Indian travellers, and, in practice, I doubt whether the Indians have much to complain of.

6. That this is not always the case is shown by the attached report of a recent judgment given in the Transvaal Provincial Division of the Supreme Court in an appeal by the Railway Administration against an award to an Indian for forcible ejection from a railway compartment which had been specially reserved for him and his friends. I also attach an opinion on the judgment given by the solicitors to the Administration. The judgment refers to the old Railway Regulations in force under the Transvaal Act, No. 13 of 1908, which is now repealed by the Union Act, No. 22 of 1916. Sections 221, 222, and 223, mentioned in the judgment, appear as sub-clauses (b), (c), and (d), respectively, of clause 60 in the Official Tariff Book of the South African Railways (1916 edition).

I understand that the British Indian League inquired last month of the Minister of Railways and Harbours whether, in view of this judgment, it is the intention of the Union Government to amend the present Regulations, and announced that, if the answer was in the negative, the League would test the validity of the new Regulation 19 in the Courts. The League was informed, in reply, that the Government had no intention of further amending the Regulations. So far no steps appear to have been taken to bring a case in the Courts.

I have, &c.,

BUXTON,

Governor-General

Enclosure 1 in No. 55.

(R.B. 1005/1.)

Office of the Minister of Railways and Harbours,

Pretoria, 19th June, 1918.

DEAR LORD BUXTON,

WITH further reference to your letter of the 7th ultimo regarding the Railway Regulations, I enclose, for your information, a copy of the notes taken when the deputations from certain Indian associations met me on the 11th instant. It is not anticipated that there will be any further difficulty. In the revised Regulation no distinction is specifically drawn as between Asiatics and any other section of the community.

I would also state, for your information, that the following special instructions were issued to the staff by the General Manager in connexion with these Regulations:—

"I desire it to be distinctly understood that no alteration is to be adopted in the existing methods of dealing with non-Europeans (coloured persons or natives) except upon direct instructions issued from this office, or through the various divisional offices.

"Whilst the policy of segregation has been definitely laid down, it will be appreciated that effective steps cannot be taken to carry it out as a whole until the accommodation, conveniences, or facilities, as the case may be, have been suitably marked as having been reserved for the exclusive use of the persons, races, or classes concerned, and even when the initial steps have been completed it will only be by exercising the greatest tact and restraint on the part of all grades that the Administration will be able to carry out its functions in a satisfactory manner and without inflicting any hardship or undue pressure upon any section of the community."

I have also given instructions to have the offending Regulation deleted from the Official Tariff Book, and for the revised Regulation to be substituted.

Yours, &c.,

T. WATT.

His Excellency the Right Honourable
Viscount Buxton, P.C., G.C.M.G.,
Pretoria.

DEPUTATION OF INDIANS TO MINISTER OF RAILWAYS AT UNION BUILDINGS,
PRETORIA, 11TH JUNE, 1918.

Present:

Sir Thomas Watt (Acting Minister of Railways).
Sir Thomas Hyslop, Railway Commissioner.
Mr. Johann Rissik, Railway Commissioner.
Sir William Hoy, General Manager.
Mr. C. M. Hoffe, Acting Private Secretary to the Minister.
Mr. D. Heller, Acting Secretary to Railway Board.
Mr. F. B. Rees, General Manager's Office.

Deputation:

Dr. William Godfrey (Chairman, British Indian League).
Mr. H. D. Maal (Chairman, Hamidian Islamic Society).
Mr. C. M. Pillay (Joint Honorary Secretary, British Indian League).
Mr. M. V. Desai.
Mr. B. K. Masooria (Chairman of Transvaal Masooria Hetwardhak Mandal).
Mr. V. G. Patel (Secretary, Transvaal Kori Hetwardhak Mandal) (Benefit Society).
Mr. J. P. Vyas.
Mr. N. M. Shelat.
Mr. E. S. Coovadia.
Mr. I. M. Coovadia.
Mr. H. Lala.
Mr. N. C. Desai.
Mr. R. M. Sodha.
Mr. S. I. Suji.
Mr. D. M. Desai.
Mr. P. Bradanjee.
Mr. V. Jaga.

The deputation was introduced by Mr. J. de V. de Beer, Attorney.

The Minister inquired if he could take it that the deputation represented the whole of the Indian community in South Africa, and Dr. Godfrey stated that this was so; they had received telegrams from all parts of the Union, and would be prepared to forward them for perusal if this was desired.

Dr. Godfrey: "In submitting the points I wish to bring forward, on behalf of the British Indian League and those I represent here to-day, I would at the outset like to say that I was born and bred in this country, and have been practising in Johannesburg for fifteen years, and can claim that I am well known amongst all classes of people in Johannesburg. In 1915 I had an interview with Sir William Hoy, when I put forward our grievances, and if the understanding which was then arrived at had been carried out there would have been no necessity for our presence here to-day. We find, however, that all our hopes have been dashed to the ground, and we have nothing else to do but to fight, to allow ourselves to live here as men. Up to the present, I feel compelled to say, we have been treated not as men but as animals—worse than dogs."

Instances were given as to lack of accommodation, and Dr. Godfrey mentioned a recent case where, on his return from Durban to Johannesburg, he was accommodated in a coupé, and whilst he was talking to his next door neighbour—a European doctor whom he knew—the guard came along and immediately placed a "Reserved" label on his compartment and on the lavatory next to him. There was no necessity for such a reservation to have been made.

Again, on the local trains there was a great lack of accommodation for coloured persons.

The General Manager pointed out that the word "reserved" was adopted as the result of Mr. Gandhi having objected to the use of another term which was previously in use. It was absolutely necessary for accommodation to be specifically reserved, on account of the fact that there were some objectionable and quarrelsome persons amongst all classes of travellers, who had to be prevented from travelling in compartments which were set aside for others, and unless there was some indication that such accommodation was reserved there might be difficulty in refusing admittance.

Dr. Godfrey intimated that they had no desire that the reserved compartments should be done away with. As a matter of fact, he was quite sure that most of the Indians would go to the reserved compartments; but others might refuse to go; and he considered that if the promises made by the Railway Administration in the past had been carried out there would have been no necessity for the meeting that day. Sir William Hoy had promised that the ticket examiners would use more discretion, and that if well-dressed and respectable Indians travelled in a first- or second-class compartment which was not "reserved" the railway officials would use tact and not pull them out.

The General Manager stated that every promise which had been made had been carried out, and the policy indicated by Dr. Godfrey has been given effect to, and, generally speaking, has been uniformly successful.

Dr. Godfrey then represented the objections which existed to section 19 of the Regulations recently promulgated. So far as (a) was concerned, the Indian community objected to the whole principle laid down therein, as it gave the Administration too much power. If a train were, say, five hundred yards long and only one compartment were set aside and twenty Indians joined the train, what would be the result? For years the difficulties had been got over without a law, and he did not think there was any necessity for a law now.

The Minister pointed out that the Regulation in question was to all intents identical with that accepted in 1910 by Mr. Gandhi, and it was difficult to see what new grievance had arisen since the new Regulation (which embodied the same principle as adopted in 1910) was promulgated.

Dr. Godfrey stated that the old Regulation did not meet the views of the Indian population, and Mr. Gandhi did not represent the whole of the Indian community.

The Minister pointed out, in reply, that if Mr. Gandhi and Mr. Cachalia, who met the Railway Administration in 1910 as representing the Indian community, did not really represent the Indians generally, it was rather strange that no protest had been made until the present time. Continuing, Sir Thomas Watt pointed out that sub-section (b) of the new Regulation was similar to that (Regulation 222) agreed to in 1910.

Dr. Godfrey drew attention to sub-section (d). Whilst he was aware of the prejudice which existed, he personally would not think of going into a dining car; but at the same time he did not consider they should be prevented from going into a dining car by law.

The Minister stated that the Regulation in question became necessary on account of the prejudice which unfortunately existed in the case of the majority of persons who frequented the dining cars. The great majority were Europeans, and, whilst it might be unreasonable on their part to object to sit down at the same dining table with non-Europeans, there was no doubt the objection was there, and the Administration was exercising the only course open to it to prevent abuses and breaches of the law by legislating in such a manner as would keep the various sections of the travelling public separate. In the absence of such a provision it might well be that some unreasonable men might endeavour to assert their rights, with the result that the majority of their fellow passengers would take the law into their own hands and the Administration's officials would be powerless to restrain them.

The General Manager agreed that this was the real position, and instanced cases where, although he, personally, and the Administration's officers had endeavoured to prevent trouble, several unfortunate occurrences had taken place in consequence of Indians insisting on travelling in accommodation which they maintained they were entitled to.

Dr. Godfrey then urged his objections to sub-section (f), being under the impression it was the intention that Indians would be required to produce passes before railway tickets could be issued to them.

The Minister, however, pointed out that the intention of the Regulation was only to serve as a warning that all passengers were required to comply with any law of the country which might be in existence so far as passes or permits were concerned. It was a matter which really did not affect the Railway Administration primarily; but it was only right that the Administration should give such a warning, otherwise a railway ticket might inadvertently be issued to a passenger who, by reason of the fact that he had not complied with the law of the country, might be stopped at some point of his journey, and great inconvenience might be caused thereby.

Mr. H. D. Maal, as representing the Hamidian Islamic Society, urged his objections to the new Regulations. He did not consider there was any necessity for such Regulations being published, and, whilst he was quite sure that ninety-five per cent. of the Indians did not desire to mix with Europeans, they had to consider the rights of the five per cent. He thought that the feeling of the European population was due more to the publication of such laws than by anything else, and that if there were no such laws the ill-feeling would disappear. He also thought a lot of trouble arose through the conductors or ticket examiners. There was not the same trouble on the trams, as the conductors recognized the right of Indians to travel on trams.

The Minister referred Mr. Maal to the earlier proceedings, and reminded him that there was no difference in the principle or effect between the old Regulations and the new ones recently introduced.

Mr. V. M. Shelat objected to the new Regulations on the ground that they formed a statutory colour bar. It was not that Mr. Gandhi's agreement was not agreeable to them; but he felt, like others, that they were now being persecuted. They were all much younger when the old Regulations were introduced, but now they were of more mature age and felt it more. The Indians had held two mass meetings, and were unanimous in asking that the law be repealed. At the present time the whole of one part of a train was given to one section of the population, and the rest of the sections have one part reserved, and they all have to use the same lavatories and everything. He also complained about bedding, stating that Indians always got inferior blankets, and concluded by saying that at the present time there was much friction between Indian passengers and the ticket examiners, and he hoped the General Manager would do his utmost to see that Indians were treated with the consideration they deserved.

Mr. E. S. Coovadia (interpreted by Mr. Shelat); Mr. M. V. Desai; Mr. S. I. Suji.—These speakers emphasized what had already been brought forward, and, in addition to expressing their objection to the Regulation as a whole, complained about the inadequacy of the accommodation provided, the absence of suitable accommodation on local trains, want of attention on the part of station officials in connexion with the issue of tickets, etc.

The Minister, replying fully on the points which had been raised, intimated that he was glad to have had the opportunity of hearing what they had to say. He explained the position which obtained prior to Union, and, after reminding the deputation what had transpired as the result of the meeting held between Mr. Gandhi and Mr. Cachalia and the late Sir Thomas Price in 1910, he detailed the steps which had been taken as the result of Union.

Sir Thomas Watt, continuing, said: "Occasionally there had been trouble, not only between Europeans and Indians, but between Europeans and natives, who are, as you are aware, in this country very much larger in numbers than the Indians are, but on the whole the Regulations have worked fairly smoothly, and I think I am safe in saying that we overcame various difficulties very well indeed, and it is to the credit of the Railway Administration and all the officials that there was so very little friction. I have no direct grounds to believe, through the absence of instances, that there was any general dissatisfaction either on the part of the natives or the coloured people or Indians with regard to these Regulations. When Union came about the Government was continually pressed by Members of Parliament, and by other sections of the community, to make the Regulations, which had worked so well in the Transvaal, apply to the rest of the country. As a matter of fact, although there was no Regulation on the subject, both in the Cape and Natal, there was an endeavour made to separate particular races, and separate males from females, and otherwise carry out the object which these Regulations have. The result was that, when the Railway Control Act was passed in 1916, Parliament specially empowered the Railway Administration to make regulations regarding this matter, and the clause in the Act referred to reads as follows:—

"Subject to the approval of the Governor-General the Administration may make regulations with respect to the reservation of railway premises (including conveniences) or of any railway coach or of any portion thereof, for the exclusive use of males or females, persons of particular races, or different classes of persons or natives, and the restriction of any such person to the use of the premises, coach or portion thereof so reserved."

"The terms of this provision in the Act are practically the same as the Regulation which you object to. Now, the Railway Administration had to carry out the law

of the land, and I do not think we can be said to be going any further in the Regulations than the law directed us to go. Someone has said that he was quite sure the Europeans in this country did not object to mixing with natives in the trains, and that it is merely a question of the Administration laying down a Regulation in order to separate the races when there is no need. Well, I do not think the gentleman who has said that knows what the feelings and susceptibilities or objections of the Europeans on this subject are. I can assure the deputation that the Europeans in this country insist on the Government doing this, and there is very little likelihood, as far as I can see, of this law being amended or withdrawn.

"Now the Regulations, as I have said in the course of the discussion, that you now object to are not new as far as the Transvaal is concerned. These Regulations have been in existence since 1910, and the complaint that you make now seems to me to be more or less a sentimental complaint. At any rate I have not heard of any instance recently where any considerable body of natives or Indians has been put to any inconvenience in consequence of the new Regulations; I may be wrong, but nothing has been said to-day to show to me that the Railway Administration has been less sympathetic or tactful recently than they were previously. I know the Indian community do not like to be placed in a different category from the European community, and while there may to some extent be discomforts and inconveniences, and, in the eyes of some Indian gentlemen, degradation in going into a compartment marked "reserved," after all, the Railway Administration has to protect him from prejudices which do exist; it has to protect the public generally and carry out the wishes of the public generally, and it seems to me that is the only way of doing it; I know of no other way by which we can bring about the desired result, except by Regulations such as these. The Railway Administration have, by their circulars and other instructions to railway officials, counselled them to be sympathetic and tactful in carrying out the Regulations; if they are not, if there is any rudeness or incivility, the Railway Administration will immediately deal with the man against whom a complaint is proved, and I think, myself, that, instead of looking upon these Regulations as an insult on the Indian community, they ought to be regarded as an honest attempt on the part of the Administration to deal justly by all sections of the population, because, if anybody has a right in this country to complain, the natives have, and, as far as I have heard, they have submitted in the various parts of the Union where these Regulations have been in existence because they know it is for their benefit, as well as for the benefit of the white population. What I would say to you is this: Do not be in too great a hurry to find fault with the Administration; there is a war going on, we cannot get as many railway carriages and other conveniences for the travelling public as we would like. In the future we will be able to set aside more carriages for the various sections of the travelling public, but at the present time we are very hard put to accommodate everybody. Although I cannot promise that we are going to withdraw the Regulation, because the Regulation is in accordance with the law, I would ask you to help the Administration by counselling your own people to work in with and help us to administer the law and to give satisfaction to all classes of the community. If you do not do that Sir William Hoy has suggested he cannot prevent the public on the trains taking the law into their own hands. It is to be regretted that people sometimes lose their tempers, and if you have a number of men losing their temper in a matter of this sort, the railway official cannot avoid an injustice or prevent an injury being done to a man. These are my views. I say: Help us, and we will try and help you. Recognize what the law is and recognize the feeling of the white people of this country in regard to the coloured people."

Sir Thomas Hyslop: "I think the Chairman has put the case very clearly, and I hope you will take the advice he has given you. There has been no trouble in the working of these Regulations in the past, and you admit there is no trouble up to now, and, if so, why anticipate trouble? The General Manager will endeavour to carry out the Regulations with as much tact as possible, and that being so, I do not think you should worry."

Mr. Rissik: "I have in the past had many occasions to meet members of the Indian community as Administrator of the Transvaal, and I have always found them reasonable. The Railway Administration has gone out of its way to meet the susceptibilities among the different races. These Regulations are necessary; in any community we have unreasonable people; now we know these people insist upon making matters worse, and you only make it more difficult for the Railway Administration to meet it. Sir William Hoy and his staff have every desire to assist you

in what you aspire to, but you know there is a difficulty; we have other classes in this country; we have black races and coloured races, and, unfortunately, in this country, these feelings exist. I, personally, have not the least objection to sitting next to you, but other people of our colour do object, and are sometimes inclined to take the matter into their own hands. Take my advice, and do not make matters worse for the Administration and for yourselves.

The General Manager stated that, as in the past, he would continue to do everything in his power to prevent any harsh or unsympathetic treatment of Indian travellers. He read to the deputation extracts from a special circular which he had issued in December last to the staff, strongly impressing upon them the necessity for exercising all possible tact and restraint in carrying out their duties, and that, on the introduction of the new Regulations, no departure was to be made from the practice hitherto obtaining, unless definite instructions were issued from his own office. He at all times gave complaints his personal attention, in order to secure fair and equitable treatment for Indians and non-Europeans.

Sir William added that he was glad to have heard what they had to say, and hoped that the frank discussion would lead to a better understanding of the position, and that the deputation, as leading members of the Indian community, would assist the Railway Administration in its efforts to carry out its functions to the satisfaction of all concerned.

The members of the deputation then withdrew, after expressing their thanks to the Minister for the sympathetic manner in which he had received their representations.

Enclosure 2 in No. 55.

28th May, 1918.

South African Railways versus M. D. Bharooche.

DE VILLIERS, Judge President: The respondent, who is an Indian, sued the appellant (defendant in the Court below) for £100 damages. The cause of action was that the plaintiff, having paid for, and had reserved, for himself and two others, seats in the train from Johannesburg to Durban, he was ignominiously ejected from his seat by the officials of the Railway Administration. The appellant relies principally upon clause 222 of the Railway Regulations, with which I shall deal presently. The facts are that the plaintiff, who is an educated man and a wholesale merchant, was travelling to Durban on the date in question. He had bought first-class tickets for himself and two friends who were going with him. They took their seats in a compartment which was marked as being reserved for plaintiff himself and party, in all, three persons. Shortly before the train started a ticket examiner came upon the scene and ordered the plaintiff and his companions out of the compartment. They refused, pointing to the fact that the compartment had been reserved for them, whereupon the ticket examiner fetched a police constable, and, undoubtedly, by a certain amount of force, the plaintiff and his two companions were made to leave the compartment and were placed in a coupé in a coach which it is said was reserved for natives. The magistrate, on these facts, gave judgment for £100 damages and costs.

I wish first to deal with the case as it presents itself to my mind. In my opinion there is a very simple point involved, and I propose to base my judgment upon that point. Under Regulation 221 the General Manager has power to set apart particular compartments on trains for passengers of different races, and it is therein provided that such passengers should only be entitled to travel in such compartments and in no others. *Prima facie* the compartment in which the plaintiff and his two companions were had been set apart, by competent authority in the booking office, for Indians. In the absence, therefore, of any clear evidence from an equally competent authority that this had been done by error, the Court must come to the conclusion that the plaintiff and his companions were in the right compartment. If that is so, they were wrongly ejected. The ticket examiner had no right to remove them from their seats in the compartment which had been specially reserved for them and place them in a different compartment. But then it is argued that under Regulation 222 a ticket examiner has that power. The clause is certainly very wide; it reads as follows:—

"It shall be competent for the guard, or conductor, or any other railway official, to remove passengers from one compartment to another without giving any reason therefor"

It is argued, on behalf of the appellant, that, even if this Regulation is *ultra vires*, section 4 (2) (b) of Act 13 of 1908—the section which deals with the reservation of coaches or portions of coaches—at all events it may be justified under section 4 (1) (e), which confers a general power on the Administration to deal with and regulate the accommodation, etc., of passengers. I have carefully considered this argument. But, in my opinion, a Regulation so comprehensive in its terms, giving the railway officials such autocratic powers, cannot for a moment be considered to be *intra vires*. Under section 4 (2) (b) the most they could do would be that, if persons were to travel in coaches in which they have no right (be they coloured or Europeans), the officials could rectify them by placing them in their proper compartment. Under section 4 (1) (e) I agree that railway officials, and the ticket examiner on the train, ought to have large powers of regulating and dealing with traffic. But I cannot for a moment concede that they have autocratic powers of this nature whereby, as the Regulation apparently reads, they can remove a first-class passenger into a third-class compartment, or take a first-class passenger who is a white man and put him in with natives. That is not justified by the wording of section 4 (1) (e). In my opinion, however, Regulation 222 ought to be read in conjunction with the preceding Regulation, and then it is possible that some reasonable construction may be placed upon it. I must confess I have not been able to make up my mind at present what words of limitation ought to be read into it, for it is so widely framed that it may turn out to be a hopeless task to fit it into Regulation 221. I need not decide this point at the present moment. But I desire to point out that Regulation 223 also is quite general in its terms, and is not specially confined to coloured persons.

The only question which remains is as to the damages. With regard to that, I would first like to say that it is desirable that attorneys should follow the rules which have been specifically laid down in the recent Magistrates' Courts Act. If that had been done in the present case, no doubt the Court would have had more assistance from the magistrate. But that has not been done, and the consequence is that the magistrate's reasons for his findings of fact do not assist the Court at all. I cannot attach any importance to a mere general statement on the part of the magistrate, without an attempt at giving his reasons, that he believed the witnesses on the one side in preference to those on the other. To show how wrong this is, one has only to look at the evidence given on behalf of the plaintiff in this very case. Whereas, I would not be disposed to question the evidence of the plaintiff himself, I have the gravest difficulty about the evidence of the last witness who gave evidence for the plaintiff, who says they were not treated like human beings. That is a portion of the evidence which the magistrate accepts without any discrimination. But, although I am not prepared to go so far as to accept the statement of that witness, I am prepared to accept the statement of the plaintiff, in preference to that of the ticket examiner and the constable, that the word "coolie" was used. In my view it comes to this: that the ticket examiner, being under the impression that he had the power under Regulation 222 to do what he did, erred; he asked the Indians to leave the compartment and referred to them as "coolies." I am prepared, therefore, to accept the finding of the magistrate that there was a certain amount of ignominy, or *contumelia*, in the case. But it is quite a wrong view that the word "coolie" was used as a mortal insult. That is not the meaning that the word bears in South Africa. I think persons in the position of a ticket examiner, who have to deal with members of the public, would be well advised if they studiously avoid using terms which might be taken up in the wrong light. But I cannot look upon the word "coolie" as having been intended to be used in a very insulting way. However, it was used, and because of that, and also because of the somewhat rough manner (due no doubt to a great extent to the expedition with which the exchange had to be effected, seeing that the train had to leave in a few moments), that certainly entitles the plaintiff to substantial damages. But I think the magistrate erred, and erred very seriously, when he gave £100. That he approached the subject in an unjudicial spirit is shown by the fact that he says, if £200 had been claimed he would have given £200. I quite agree with the argument addressed to us by Mr. Greenberg that this Court will not lightly interfere with the finding of the magistrate on the question of damages, and particularly is it difficult for a Court of Law to fix on a definite amount as compensation for a *contumelia*, an insult, something intangible, but which is none the less a very real source of annoyance. But, *est modus in rebus*, there ought to be a limit, and it appears to me that the

magistrate has far overstepped the limit in this case. If he had given £5, £10, or £20, or even £25, I would not have quarrelled with it. But it appears to me when he goes beyond that it is so excessive that it cannot be upheld. For these reasons I have come to the conclusion that, under all circumstances of the case, the magistrate ought not to have given the plaintiff more than £25. The appeal is, therefore, allowed with costs, and the judgment of the magistrate set aside, and judgment entered in the Court below for £25 and costs in the Court below.

Justice Wessels: I concur, and have nothing to add.

Justice Curlewis: I concur. I do not wish to express any opinion as regards whether Regulation 222 is *ultra vires* or not, because, as pointed out by the Judge President, this case can be decided on the fact that the compartment was reserved for the plaintiff and his two friends. As the magistrate points out, there is no evidence before the Court to show that that was a mistake, and therefore the conductor had no right to remove them from the compartment. With regard to the Regulation, looked at in the abstract, it is capable of being put to very arbitrary use. On the other hand, if one regards it in the setting in which we find it, it seems necessary that the officials of the Railway Administration should have the power to remove persons from compartments when once it is recognized that compartments can be reserved for particular individuals and for passengers of different races. It would be idle to reserve a compartment for passengers of any particular race if the official had not the right, when he found someone in the compartment who ought not to be there, to remove him. Similarly, a railway official ought to have a right during the course of the journey to remove a passenger from a compartment if he finds it necessary for the convenience of other passengers to do so. For instance, if a lady joins the train in the course of its journey, it might be necessary to remove male passengers out of a compartment in order to make room for her; I am speaking of long distance journeys, when it is necessary for passengers to pass the night, or a portion of it, in the train.

Justice Wessels: Perhaps under the circumstances it would be as well if I express my opinion on the subject more definitely. I think that Regulation 222 is *ultra vires*. I do not see how, under any circumstances, it can be brought under Regulation 221. It gives an autocratic power to the railway officials to remove any passenger, without any qualification, from one compartment to another without giving any reason. That, in my opinion, is *ultra vires*. It seems to me necessary to decide the point, because otherwise the official was entitled to remove the plaintiff.

Enclosure 3 in No. 55.

26 to 32, and 39, City House, Harrison Street,
Johannesburg, 12th June, 1918.

The General Manager,
South African Railways,
Johannesburg.

Bharooche versus S.A.R. & H.

DEAR SIR,

1. We have carefully considered the judgment given in this matter in the Supreme Court, Transvaal Provincial Division, and we cannot recommend an appeal. The Judge President has not given a decided opinion as to whether Regulation 222 is *ultra vires*. He inclined to the opinion that it should be read in conjunction with the preceding Regulation, and in that case a reasonable construction could be placed upon it. Mr. Justice Curlewis seemed to think that the Regulation was not *ultra vires*, but Mr. Justice Wessels held that it decidedly was *ultra vires*.

2. We do not think that the question of the Regulation being *ultra vires* was seriously argued. A good deal of authority from the English cases could have been produced, and, as far as we can see, the English cases deal with the question of conditions relating to the conveyance of passengers as a matter of contract, and it is therefore not essential that the Regulation should be reasonable. We find in the case of *Scott versus G. & S. R.*, decided in 1895, that the Regulation reads: "The guards will regulate the passengers in taking their seats," but apparently since 1905 all the railway companies in England have issued fresh sets of by-laws, and instead of giving the guard a general authority to remove passengers, the

Regulation dealing with this subject specifies the particular causes for which a passenger may be forcibly removed from the train or from the company's premises.

3. At any rate, we do not see anything to be gained by an appeal, and, if further action is brought, the defence raised would be more comprehensive, and would embrace other points that were omitted in the present case.

4. Regulation 222 was originally drafted and approved eight years ago, when the conditions in regard to the transport of coloured persons were somewhat different to what they are now. The same Regulation was taken over as Regulation 19 (b) in the Regulations which came into force at the commencement of this year.

5. There is considerable difference, however, between Regulation 222 of the old Regulations and Regulation 19 (b), because Regulation 222, as it stood, might apply to all passengers of any description (although it was intended to apply only to coloured persons), whereas Regulation 19 (b) must be read in conjunction with Regulation 19 (a), which provides:—

"The Administration may, where practicable, set apart any portion of a train for males or females, persons of particular races, or different classes of persons, or natives. No passenger for whom a portion of a train is so reserved may travel or remain in any other portion, and the Administration may refuse to carry him in any other portion of the train."

And this, we think, affords a reasonable construction, and would probably be so held by the Judge President, and would almost certainly be so held by Mr. Justice Curlewis. So that for the present we do not think there is any necessity to make any alteration in the Regulation.

6. We advise that no further action should be taken.

Yours faithfully,

BELL & ANDERS

Mr. Rees,

Assistant Superintendent (General).

47649

No. 56.

INDIA OFFICE to COLONIAL OFFICE.

(Received 3rd October, 1918.)

India Office,

SIR,

Whitehall, London, S.W.1., 2nd October, 1918.

I AM directed by the Secretary of State for India to forward, for the consideration of the Secretary of State for the Colonies, a copy of a letter dated the 7th September from Mr. H. S. L. Polak, with a copy of its enclosure, regarding an incident in connexion with the enforcement of the South African Railway Regulations. It appears to Mr. Montagu, on the facts stated, that in the particular case the provisions of the regulations were successfully appealed to by Indians for whom at first no "reserved" accommodation was provided, and who were refused permission to travel elsewhere on the train. But the fact remains that it was necessary for them to make a protest in order to secure observance of the regulations.

I have, &c.,

M. C. SETON.

Enclosure in No. 56.

DEAR MR. MONTAGU, 47-48, Danes Inn House, 265, Strand, London, W.C.2.

WITH reference to the question of the South African Railway's Regulations, I enclose herewith an extract from "*Indian Opinion*" of 26th July, which indicates something of the present situation.

Mr. A. S. Sorabji, who had been in this country for some time, had recently returned to South Africa, but, within three weeks of his arrival in Johannesburg, he had succumbed to pneumonia. He was one of the most faithful of Mr. Gandhi's fellow-workers in the Passive Resistance movement, and it was very natural that Mr. A. M. Cachalia, the Chairman of the Transvaal British Indian Association, and his friends, who were visiting Durban, should have desired to hasten back to Johannesburg in order to make the necessary preparations for the public funeral that

was to be accorded to this fine public worker. Mr. Cachalia, whilst one of the mildest men living, has a remarkable sense of the respect that is due to his country and the community that he represents, and, as an old passive resister, would have undoubtedly resorted to extreme measures to call attention to the racial differentiation intended by the Railway Administration at Durban. Had it not been for the courageous stand that he felt called upon to make, a wretched precedent against the interests and the welfare of the Indian community would undoubtedly have been established.

May I suggest that the incident be brought to the personal notice of Mr. Burton, within whose jurisdiction lies the administration of railway affairs?

Thanking you in anticipation of your giving the matter your attention, and with kind regards.

Yours sincerely,
H. S. L. POLAK.

Right Honourable E. S. Montagu, M.P.,
India Office, S.W.1.

EXTRACT FROM "INDIAN OPINION," 26TH JULY, 1918.

A Significant Incident.

THE refusal to allot seats on the Johannesburg mail to Mr. Cachalia and party brings to light once again the seriousness of the position held by the Indian community in regard to their rights as self-respecting residents of the Union. In spite of having no powers the authorities at Durban Central Station took upon themselves the responsibility of refusing seats to coloured passengers during the holiday rush. We quite understood that there was a rush, and we sympathize with officials who are often overworked and worried in the provision of sufficient accommodation at such times. But, after all, it is a comparatively simple matter, as the Administration advertise that intending passengers must give due notice of their intention to travel, and, when the train is full, no more passengers are booked. Taking advantage of the helplessness of many coloured passengers to protest effectively against a refusal to be allowed to travel by the mail train, the order went forth to put no "reserved" coaches on. But they did not calculate upon having such a man as Mr. Cachalia to deal with. Dignified, and without creating the slightest fuss, Mr. Cachalia stated his position. As a recognized leader, he could not countenance racial discrimination of that description, and he informed the Divisional Superintendent of his determination, and that of those friends who wished to travel with him, to stand firm in demanding accommodation for coloured passengers on all trains. His position was clear. If there was a "reserved" coach on the train and all the seats therein were already booked, then, of course, they would wait their turn. But if, as seemed to be the case, no accommodation whatever was provided for any but Europeans, then he must emphatically protest against it. That, we think, is an unassailable position, and one which the Railway Administration evidently found it impossible to refute, for we find that the Divisional Superintendent wisely decided to grant the usual accommodation. An apt illustration of the utter impossibility of allowing racial discrimination in railway travelling was afforded when Mr. Rustomjee, on Tuesday evening, received an urgent message which necessitated his catching the earliest and fastest train to reach the bedside of his dying relative, the late Mr. Sorabji. Unfortunately, he would not reach there in time, but, by catching that train, he would be able to be in Johannesburg the following evening—twelve hours earlier than by the slow train—in time to arrange for and attend the funeral. What further illustration or argument does one need to convince every Indian of the necessity of carefully watching and guarding against all encroachments upon their liberty?

(C) Ownership of fixed Property by Indians or Indian Companies
in the Transvaal.

11706

No. 57.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 105.)

MY LORD,

Downing Street, 12th March, 1919.

I HAVE the honour to transmit to Your Excellency, for the observations of your Ministers, the accompanying copy of a telegram from the Chairman of the Transvaal British Indian Association, regarding the effect of the judgment in certain legal proceedings taken against the Indian merchants at Krugersdorp under the Transvaal Precious and Base Metals Act of 1908.

I have, &c.,

MILNER.

Enclosure in No. 57.

THE TRANSVAAL BRITISH INDIAN ASSOCIATION to THE SECRETARY OF STATE.

(Received 20th February, 1919.)

TELEGRAM.

LEGAL proceedings under Precious and Base Metals Act, 1908, resulted against Indian merchants, longstanding Krugersdorp area. Effect of judgment virtual ruination of mercantile community throughout Witwatersrand. Transvaal Ordinance IX., 1912. Relief Act, and other laws affecting Indian community rigorously enforced, object being elimination of Indian trade and benefit European competitors. British Indian community emphatically protest against cruel and reactionary policy. Significant that action taken almost simultaneously with armistice. Community submits such policy poor mark appreciation Indian sacrifices for Empire during War. Community earnestly appeals for protection; meanwhile endeavouring get matters ventilated before Bar of Assembly, Cape Town. Please help every possible way.—E. I. ASVAT, Chairman Transvaal British Indian Association.

20033

No. 58.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.7 p.m., 31st March, 1919.)

TELEGRAM.

(Paraphrase.)

WITH reference to my Confidential despatch 8th January,* regarding Indian questions. An unexpected development has arisen gravely affecting the position of Indians in Transvaal. Krugersdorp Town Council, baulked, as was explained in the memorandum accompanying my despatch, in their policy of refusing to grant licences to Indians, have now discovered a new method of persecution. Recently they obtained, under sections 130 and 131 of Transvaal Precious and Base Metals Act, 1908, an injunction from the Provincial Division of Supreme Court restraining a European firm from leasing to an Indian tailor shop situated on proclaimed land within Krugersdorp municipal area. The Indian was not made party to action which was undefended. Since a large portion of Witwatersrand is proclaimed land, in view of this judgment many Indians

* No. 37.

would appear to be in danger of eviction, and only those businesses which are conducted in premises occupied by present owner before 1908 can be regarded as safe. It is understood that several actions for eviction are pending already.

A Cape Town Member moved, on 21st March, for Select Committee of House of Assembly to inquire into this new disability, with a view to remedial legislation during this session. It was admitted by Minister of Interior (1) that it was never contemplated that any person or body of persons except the Government would enforce Act of 1908, and (2) that, in view of the understanding which General Smuts and Gandhi arrived at in 1914 Government had not enforced Act against any Indian who had acquired rights prior to 1914.

He moved an amendment, however, to extend scope of Committee's inquiry to cover alleged evasion of Law No. 3 of 1885, by formation of limited liability company (see paragraph 10 of my despatch of 8th January). Motion was agreed to as amended. This means that whole question of position of Indian trader in Transvaal will be dragged into prominence in such circumstances that definite action can hardly be postponed.

Select Committee's personnel is not reassuring. South African Party have four members (two from the Transvaal, one from Natal, and one from a country district), Cape Unionists three (two from Transvaal, one of whom is committed deeply against Indians), Nationalists two (who presumably will be anti-Indian as a matter of faith), Labour one (a Natal member).

I had preliminary discussion recently with the Acting Prime Minister, and I drew Cabinet's attention to your despatch Dominions 476, 28th August,* which remains unanswered.

I shall not lose any opportunity of impressing on my Ministers importance of question from Imperial standpoint, but outlook is far from promising in present circumstances. It is most regrettable that the question should have arisen while Prime Minister and General Smuts are absent, both of whom recognize its gravity and are fully conversant with its details.—BUXTON.

20033

No. 59.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 62.]

SIR,

Downing Street, 8th April, 1919.

WITH reference to your letter of the 27th February,† I am directed by Viscount Milner to transmit to you, to be laid before the Secretary of State for India, a copy of a telegram‡ from the Governor-General of the Union of South Africa regarding the effect on Indian traders in the Transvaal of certain legal proceedings taken by the Krugersdorp Town Council under the Transvaal Precious and Base Metals Act, 1908.

2. A copy of the Governor-General's despatch of the 8th January,§ to which he refers, was forwarded to you on the 27th March.||

I am, &c.,

HENRY LAMBERT.

20033

No. 60.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.15 a.m., 8th April, 1919.)

TELEGRAM.

[Answered by No. 61.]

CONFIDENTIAL. Reference your telegram 31st March,‡ Indian questions. Would you wish your Confidential despatch, 8th January,§ and telegram referred to above, to be communicated to General Botha?—MILNER.

* No. 6. † 13115: not printed. ‡ No. 58. § No. 37. || 11607: not printed.

22851

No. 61.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.20 p.m., 12th April, 1919.)

TELEGRAM.

(Paraphrase.)

IN reply to your telegram of 8th April* I think it would be well that General Botha should see my despatch and telegram,† but they should be only shown to him unofficially, as I have not communicated them to Ministers here.

The Committee have finished the evidence and meet on Monday to consider their report. I have hopes that result may be fairly reasonable, but I am not very sanguine.

I have been, and am still, discussing the question with De Wet and Malan.—BUXTON.

23133

No. 62.

INDIA OFFICE to COLONIAL OFFICE.

(Received 16th April, 1919.)

SIR,

India Office, Whitehall, London, S.W., 15th April, 1919.

I AM directed by the Secretary of State for India to acknowledge the receipt of Sir H. Lambert's letter of 8th April,‡ transmitting copy of a telegram from the Governor-General of the Union of South Africa regarding the action taken by the Krugersdorp Town Council under the Transvaal Precious and Base Metals Act of 1908.

Mr. Secretary Montagu views with grave concern the possibility that Indians residing on proclaimed land may become liable to eviction at the instance of local authorities. He notes the admission of the Minister of the Interior that it was never contemplated that action could be taken, except by the Government, under the Act in question. The inclusion of the question of the ownership of land in the Transvaal by limited liability companies composed of Indians, in the terms of reference to the Select Committee which has been appointed, also gives rise to serious apprehensions.

With regard to the wording of section 131 (1) of the Transvaal Act, under which the action of the Krugersdorp Town Council has been taken, I am to invite a reference to the telegram of 28th December, 1908,§ sent by the then Secretary of State to the Government of the Transvaal, copy of which was communicated to this Department, with Colonial Office memorandum of 6th January, 1909,¶ and am to suggest, for Viscount Milner's consideration, whether the words "other places" and the powers vested in the Mining Commissioner under the section, may not afford a means for protecting the vested rights of Indians acquired since the passing of the Act, which appear now to be endangered. Perhaps, if Viscount Milner sees no objection, a telegraphic inquiry might be addressed to the Governor-General on the point.

That the law should be administered with a due regard to such rights would only be in accordance with the specific pledge given by General Smuts to Mr. Gandhi in 1914, as expressed in the penultimate paragraph of the letter from Mr. E. H. L. Gorges, of the 30th June, 1914,|| copy of which formed an enclosure to Sir J. Anderson's letter to this Department, dated 15th August, 1914.¶

I am, &c.,

J. E. FERARD.

* No. 60. † Nos. 37 and 59. ‡ No. 59. § No. 457 in African (South) No. 900. || See enclosure 1 in No. 206 in African (South) No. 1012. ¶ J. E. F.

24178

No. 63.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.0 p.m., 20th April, 1919.)

TELEGRAM.

(Paraphrase.)

17TH APRIL. Reference my telegram of 12th April,* regarding Indians. I am confidentially informed that, on 14th April, Select Committee adopted two resolutions, viz. :—

(1) By six votes to three, that legislation should be introduced which should provide that the provisions of sections 130 and 131 of Transvaal Act No. 35, of 1908, and any similar provisions within the freehold title or deed of grants issued, or to be issued, under Act No. 34 of 1908, in any township, shall not apply to British Indians or their successors in title who were carrying on business on 1st May, 1919, under a licence issued by a duly appointed authority, or to the *bona fide* employees of such British Indians or their successors in title for so long as such business is carried on in the same township, as on 1st May, 1919.

(2) By eight votes to one, that Transvaal Law No. 3 of 1885, should be so amended that the provision against owning of fixed property contained therein be also extended to any company or other body, corporate or incorporate, if the persons having the controlling interest therein belong to any of the native Asiatic races.

I understand that effect of (1) is to give statutory protection to existing trading rights in Government townships and on proclaimed land, both to present holders of licences and to their business successors so long as business remains in same township, but to leave intact as against acquisition of fresh trading facilities the restrictive provisions of Precious and Base Metals Act of 1908, and of titles and deeds of grants issued under the Townships Act, in respect of Government township.

The effect of (2) is to refrain from interference with rights of land ownership lawfully acquired by Indian companies up to date, but for the future to apply to companies as well as to individuals the restrictions of Law No. 3 of 1885.

The resolutions taken together are, on the whole, better than I expected, and I am confident that no recommendations more generous in respect of the future would have had any prospect of acceptance by Parliament even if made by Committee. I am informed privately by Alexander, who moved for Committee in the interest of the Indians, that he is satisfied, on the whole, with decision, and that it goes considerably beyond what he anticipated. He will do his best to deprecate any agitation on the part of Indians.

On 23rd April Committee meets again to consider draft report which the Chairman is preparing.—BUXTON.

22851

No. 64.

THE SECRETARY OF STATE to GENERAL BOTHA (PRIME MINISTER).

DEAR GENERAL BOTHA,

Downing Street, 21st April, 1919.

I ENCLOSE a copy of a telegram† from Lord Buxton regarding an unexpected development which has arisen in South Africa which may seriously affect the position of the Indians in the Transvaal, in regard to the ownership of fixed property. I enclose also copies of previous correspondence‡ as to the Indian questions discussed at the last Imperial War Conference, with Lord Sinha's memorandum (pages 245-8, of [Cd. 9177]), which you will note directs particular attention to the question which has now arisen.

2. Lord Buxton tells me that he has not communicated his telegram of the 31st March,† or the Confidential despatch of 8th January,§ to his Ministers, but he thinks they should be shown to you unofficially. He adds that the Select Committee have finished hearing the evidence, and were to meet last Monday to consider their report; he has hopes that the result may be fairly reasonable, but he is not very sanguine. I understand that he has been, and is still, discussing the question with De Wet and Malan.

Yours, &c.,

MILNER.

* No. 61.

† No. 58.

‡ Nos. 37 and 8.

§ No. 37.

22851

No. 65.

COLONIAL OFFICE to INDIA OFFICE.

SIR,

Downing Street, 22nd April, 1919.

WITH reference to your letter of the 8th instant,* and to the letter† from this Department of the same date, I am directed by Viscount Milner to enclose, for the information of Mr. Secretary Montagu, copies of further correspondence‡ with the Governor-General of the Union of South Africa, regarding the Indian question in South Africa. Lord Buxton's telegram of the 31st March,§ and his despatch of the 8th January|| (forwarded to you in the letter from this Department of the 8th April and 27th March respectively¶), have now been communicated privately to General Botha.

I am, &c.,

HENRY LAMBERT.

24178

No. 66.

THE PRIVATE SECRETARY to THE SECRETARY OF STATE to GENERAL BOTHA (PRIME MINISTER).

DEAR GENERAL BOTHA,

Downing Street, 29th April, 1919.

LORD MILNER desires me to forward to you, in continuation of his letter of the 21st April,** a copy of a further telegram†† from Lord Buxton, reporting the resolutions adopted by the Select Committee of the Union House of Assembly on the question of the ownership by Indians of fixed property in the Transvaal.

I have, &c.,

H. C. THORNTON.

24178

No. 67.

COLONIAL OFFICE to INDIA OFFICE.

(Confidential.)

SIR,

Downing Street, 29th April, 1919.

WITH reference to your letter of the 15th April,‡‡ I am directed by Viscount Milner to transmit to you, to be laid before Mr. Secretary Montagu, a copy of a further telegram†† from the Governor-General of the Union of South Africa regarding the position of the Indians in respect to the ownership of fixed property in the Transvaal.

In the circumstances Lord Milner has thought it unnecessary to make the telegraphic inquiry suggested in the penultimate paragraph of your letter under reference.

I am, &c.,

HENRY LAMBERT.

29556

No. 68.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.20 a.m., 16th May, 1919.)

TELEGRAM.

13TH MAY. Indians. Report Select Committee on lines foreshadowed in my telegram 17th April,†† submits draft Bill to give effect to recommendations. Order for consideration of report discharged without debate, and Bill introduced by Rooth, Chairman of Committee, and put down for second reading 15th May.—BUXTON.

* 21608: not printed.

† No. 59.

‡ Nos. 60 and 61.

§ No. 58.

|| No. 37.

¶ No. 59, and 11607, not printed.

** No. 64.

†† No. 63.

‡‡ No. 62.

31951

No. 69.

INDIA OFFICE to COLONIAL OFFICE.

(Received 28th May, 1919.)

SIR, India Office, Whitehall, London, S.W.1., 27th May, 1919.
I AM directed by the Secretary of State for India in Council to refer to the correspondence ending with Sir Henry Lambert's Confidential letter, dated the 29th April, 1919,* regarding the recommendations made by the Select Committee of the House of Assembly of South Africa, recently appointed to inquire into certain questions affecting the status of British Indians in the Transvaal.

It is observed from the summary of the report of the Committee contained in the telegram from the Governor-General, of the 17th April,† that it made two recommendations:—

- (1) That steps should be taken to safeguard the existing rights of Indians from interference, under the provisions of the Transvaal Act. No. 35 of 1908, or as a result of the provisions of Act No. 34 of the same year.
- (2) That an amendment of Transvaal Law III of 1885 should be made with a view to extending the provision against the ownership of fixed property by Indians to such ownership by companies or other bodies the controlling interest in which is in Indian hands.

It is further intimated that the effect of the latter recommendation, if carried into effect, would be not to interfere with rights acquired by Indian companies up to date, but to apply the restrictions of the law in future to companies as well as to individuals.

Mr. Secretary Montagu notes that in the opinion of the Governor-General no recommendations more generous with respect to the future would have had any prospect of acceptance by Parliament, but he cannot regard the second recommendation of the Committee as satisfactory from the point of view of Indian interests. Such legislation as is recommended would have the effect of depriving Indians of the future exercise of a right which they now enjoy under the interpretation which has been given by the Supreme Court to the law as it stands. A step of this character would appear to be a departure from the spirit of the understanding between the Government and the Indian community which was reached in 1914, as expressed in Mr. Gorges's letter to Mr. Gandhi of the 30th June, 1914.‡ It would further be difficult to reconcile it with the attitude taken up by Mr. Burton at the Imperial War Conference of 1918, when he said, in speaking on Resolution No. 21, that the memorandum laid before the Conference (which suggested the repeal of Law III. of 1885) would receive the most sympathetic consideration that the South African Government could give to it.

Mr. Montagu recognizes that, as pointed out by Lord Buxton in his Confidential despatch of the 8th January, 1919,§ this is not the time to press for a repeal of Law III. of 1885, but he cannot help believing that the Indian community would feel a justifiable sense of grievance if this law were amended in order to enforce a restriction from which they at present escape. He accordingly ventures to express a hope that Viscount Milner will use his good offices, in consultation with the Governor-General, to avoid, if possible, any alteration of that Law in the sense recommended by the Committee.

I am, &c.,
T. W. HOLDERNESS

32177

No. 70.

INDIA OFFICE to COLONIAL OFFICE.

(Received 29th May, 1919.)

SIR, India Office, 28th May, 1919.
I AM directed by the Secretary of State for India in Council to transmit to you, for the information of the Secretary of State for the Colonies, copy of correspondence on the subject of the status of British Indians in the Transvaal.

I am, &c.,
T. W. HOLDERNESS.

* No. 67. † No. 69. ‡ Enclosure 1 in No. 206 in African (South) No. 1012. § No. 37.

Enclosure 1 in No. 70.

47-48, Danes Inn House,

DEAR MR. MONTAGU, 265, Strand, London, W.C.2, 22nd May, 1919.
I BEG to enclose herewith a copy of a telegram that has just reached me from Mr. E. I. Aswat, the Chairman of the Transvaal British Indian Association, dated Johannesburg, 16th May.

Yours, &c.,
H. S. L. POLAK.

The Right Honourable E. S. Montagu, M.P.,
India Office, Whitehall, S.W.1.

TELEGRAM FROM BRITISH INDIA ASSOCIATION to THE RIGHT HONOURABLE E. S. MONTAGU, BRITISH PEACE DELEGATION, PARIS, DATED JOHANNESBURG, 16TH MAY, 1919.

FOLLOWING agitation European trade competitors for provincial town. Parliamentary Committee inquired into Gold Law in its application to Indian traders, also operation of Law 3 of 1885 in regard to holding fixed property by Asiatic Limited Companies. Association tendered evidence great length. Committee recommend that vested rights of Indian carrying on business in proclaimed mining areas in June, 1914, and who since that date obtained trading licence and carried on business in such areas should be respected. Indians should have right to transfer, make over their existing business to other Indians legally residing in Transvaal, steps be immediately taken render it impossible Asiatics in future to obtain trading licences for new business. Suggests after 1st May, 1919, no new trading licences shall be granted to Asiatics. Legislation be immediately introduced amending Law 3 of 1885 prohibiting ownership of fixed property by company or corporate body wherein Asiatics hold controlling interests. Bill accordingly introduced into Parliament. Association greatly alarmed at prospect of imposition of further disability upon Indians this stage their history. Had hoped time was ripe for removal of old disability instead of imposition of new ones. Appeal for full support and co-operation.—ASWAT, Chairman.

Enclosure 2 in No. 70.

SIR, India Office, 28th May, 1919.
I AM directed by the Secretary of State for India to acknowledge the receipt of your letter of 22nd May enclosing copy of a telegram from Mr. E. I. Aswat regarding the report of the Select Committee of the House of Assembly in South Africa on certain questions affecting the status of British Indians in the Transvaal. I am to inform you, in reply, that this question is engaging Mr. Montagu's attention in consultation with the Secretary of State for the Colonies.

I am, &c.,
P. H. DUMBELL.

H. S. L. Polak, Esq.,
47-48, Danes Inn House,
265, Strand, W.C.2.

32259

No. 71.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.27 p.m., 28th May, 1919.)

TELEGRAM.

28TH MAY. Confidential. My telegram 13th May*; Indians. In House of Assembly Bill encountered much unfriendly criticism, but passed second reading without division. In Committee determined attempt by Abe Bailey and numerous other Rand members, including several Unionists, with support of Nationalists and some

* No. 68.

South African Party members for constituencies not on Rand, to exclude from protection rights acquired since Smuts-Gandhi Agreement of 1914, was defeated by substantial majorities after Malan had promised Commission to inquire into Indian question generally. New clause, however, moved by South African Party member for Ermelo, was adopted by forty-five to thirty-one, empowering any authority issuing trade licences in whole of Transvaal or any part thereof to refuse without reason assigned any application for new licence by an Asiatic as defined in Transvaal Act 36 of 1908 who was not on 1st May, 1919, carrying on business within the area of the authority concerned. Minority comprised members of Cabinet, Natal members, excepting Myburgh, Cape Unionists, five Rand Unionists, three private South African Party members from Cape and Transvaal, including Rooth, and two Labour. Majority consisted of Nationalists and South African Party, with three Unionists and three Labour. Other amendments made on the motion of Rooth as sop to Opposition provide: (1) That prohibition of Transvaal Law 3 of 1885 against ownership of fixed property, shall apply as from (?) 1st May, 1919, not only to companies in which one or more Asiatics have controlling interest, but also to registration of a mortgage over fixed property to, or in favour of, any Asiatic otherwise than as security for *bona fide* loan or investment in ordinary course of business. (2) That in respect of fixed property acquired by such company as above mentioned before 1st May, 1919, provision of Law 3 of 1885 shall be construed as if present Bill had not passed. (3) That any such company which has acquired ownership of fixed property since 1st May shall dispose thereof within two years from commencement of Act, or within such further period as competent court on application may allow, and that on failure to do so property shall on petition of any member of public be sold by order of competent court. These latter amendments, unwelcome though they may (be), appear only to prevent further evasions of existing law by Asiatics. I regard new clause, however, as most objectionable, since it imposes fresh disability on Asiatics by name. It is the more unwarrantable as it introduces matter which was not before Select Committee, and on which Indians, therefore, were not heard. It clearly should not have been legislated upon before promised Commission has reported. Even if Government instruct revenue officers not to refuse general dealers' licences, municipalities would have free hand as to new grocers' licences. I represented all this very forcibly to Malan in an interview yesterday on my return from Basutoland. He has promised to consult his colleagues and to have report stage postponed until after South African Party caucus meeting on 30th May. Have since seen Smartt and De Wet. Remedial action on report stage not quite impossible, though I am not sanguine, but there is possibility of Senate deleting new clause. Will do my best. Disallowance, or even reservation, would be very inexpedient, as it would only be playing into hands of Nationalists. On publication of Select Committee's report Indians held meeting of protest and sent telegrams of protest on usual lines. Deputation, however, received by Malan on having matter explained to them said they had misunderstood recommendations and expressed themselves as satisfied. Amendments made to Bill have already revived protests. Anti-Asiatic feeling among Europeans very strong in Transvaal generally, and especially on Rand, as shown in House, in Provincial Council, and in representations received by Ministers and members. Please show this telegram to Botha and Smuts.—BUXTON.

34175

No. 72.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.5 p.m. 6th June, 1919.)

TELEGRAM.

CONFIDENTIAL. 6th June. My telegram 29th May, Confidential,* Indians. On report stage in House of Assembly a few drafting amendments were made in Bill. As regards new clause which had been inserted, after Committee Acting Prime Minister expressed hope that it would not be insisted upon, (?) shirlake objections that it imposed disability on Asiatics by name, and that Asiatics had

* No. 71.

not been heard, and renewed promise to appoint as soon as Parliament rose strong Commission to go into whole question of Asiatics in the Union not merely in Transvaal. In view, however, of attitude of Bailey and others, was not thought prudent to risk a division by moving deletion. Bill passed third reading and has gone to Senate. There is reason to hope, however, that Senate will delete new clause, and, if so, that House of Assembly will acquiesce. Please show this to Botha and Smuts.—BUXTON.

34625

No. 73.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.6 p.m., 10th June, 1919.)

TELEGRAM.

JUNE 6TH. Am requested by British Indian League of Transvaal to forward following message for submission to His Majesty the King:—

Begins.—Transvaal Parliament passing Bill depriving Indian British subjects rights to hold landed property and obtain trading licence. Bill is based on trade jealousy and racial differentiation. First time in history of British Empire such drastic legislation imposed on British subjects. It creates dangerous precedent, practically disregards fundamental principles on which Empire is based, disregards British flag, takes stand on equal privileges of justice and protection of all British subjects whatsoever race or creed. Bill is destined to all intents and purposes to prevent by law our national and industrial development, in fact strikes at our very existence. We therefore humbly beseech your Majesty to exercise your prerogative by withholding sanction to an unjust, undeserving, unheard-of piece of legislation against your Majesty's own loyal subjects. Copy to Right Honourable Montagu, Lord Sinha, Lord Curzon, Lord Amphil, Lord Landsdowne, Right Honourable Secretary of State for the Colonies, Honourable Ameer Ali A. A. Mirza, and *Times.*—*Ends.*

As you are aware, Bill not yet finally passed and hope may be amended in Senate.—BUXTON.

35034

No. 74.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE

(Received 8.10 p.m. 11th June, 1919.)

TELEGRAM.

11TH JUNE. Confidential. My telegram 6th June, Confidential,* Indians. Senate in Committee has deleted new clause by eighteen votes to seven. Otherwise no change in Bill. Strong probability of acquiescence by House of Assembly.—BUXTON.

35946

No. 75.

MR. H. S. L. POLAK to COLONIAL OFFICE.

(Received 17th June, 1919.)

[Answered by No. 84.]

47-48, Danes Inn House,

DEAR COLONEL AMERY,

265, Strand, London, W.C.2, 12th June, 1919.

I ought earlier to have sent you the enclosed papers, but upon my return to my office after seeing you the other day, I found a telegram stating that the Anti-Indian Bill had emerged from the Committee stage on the 23rd ultimo in a still more outrageous form, and it did not seem to me that very much could be done in the way of amending the Bill. I now find that it has passed the third reading.

* No. 72.

and that still further hostile amendments have been incorporated, for which there is no justification whatever. This took place on the 4th instant. There is still the possibility that something may be done in the Senate, as some of the amendments have been carried, in spite of the appeal of the Union Government. You will see that a most improper use has been made of the letter from Mr. Gandhi to Mr. Gorges, the Secretary for the Interior, dated 7th July, 1914. That letter was a private one giving Mr. Gandhi's personal view on the points raised in it, and it did not in any way commit, or propose to commit, the Indian community to acceptance of the views therein set forth, nor in point of fact, as you will see from the letter addressed to the Transvaal Municipal Association by the Chairman of the Transvaal British Indian Association, did the Indian Committee at any time accept those views.

I enclose also an extract from a letter to me from Mr. Gandhi himself when I was in India, after perusal of this correspondence. It speaks for itself. The Union Government seem to have confused the question of the issue of trading licences under the general Revenue Licences Ordinance with that of residence or occupation in mining areas under the Gold Law. I see also from the report of the Select Committee of the Union Assembly that an improper use has been made of some remarks of mine a few days after Mr. Gandhi's letter was written, in order to found a charge against the Indian community that it has departed from the terms of the 1914 settlement. A more wanton and cruel distortion of the facts could be hardly conceived, and I propose at an early date to send you a memorandum upon the evidence produced before the Select Committee. The matter is of such importance, and the spirit of the times has been so startlingly ignored by the Union Assembly, that these must serve as my excuse for burdening you with these further details.

Yours &c.,
H. S. L. POLAK

Enclosure 1 in No. 75.

NOTE ON THE PRESENT ANTI-ASIATIC BILL FOR TRANSVAAL.

BY H. S. L. POLAK.

THE Bill at present before the Union Parliament is based upon recommendations of a Select Committee of the Union Assembly. Its operation is to be confined to the Transvaal Province, and it will affect and limit the rights of Indians therein lawfully resident, (a) as regards the ownership of land, and (b) as regards trading. It should be noted that the Transvaal Indian population is roughly 12,000, and bears the relation to the European population of one to sixteen. It is stationary and cannot be added to from outside by reason of the restrictions of the immigration law, which effectively prevents an enlargement of the population save by natural increase. It should also be noted that the measure will apply to Indians who are already in the Transvaal lawfully and who have been permitted to enter and reside there.

Ownership of "Fixed" Property.

Law 3 of 1885, passed by the Volksraad of the South African Republic, prohibited, among other things, the ownership of "fixed" or landed property by Asiatics. South African natives, "coloured" people (or half-castes), and Europeans are entitled to own "fixed" property. At the Cape and in Natal (in which latter Province the vast bulk of Indians reside and even outnumber the Europeans), Indians freely own "fixed" property.

Not very long after the enactment of Law 3 of 1885 the Republican Government realized that the scope of the measure was too wide, and itself suggested a means of evasion. It recommended that certain landed property that had been purchased by an Indian firm at public auction, and to which legal title could not be granted because of Law 3 of 1885, should be registered in the official land registers in the name of some European nominee, and transfer was eventually effected in the name of the Government Mining Commissioner of the district.

This procedure was followed in several other cases, and in course of time non-official Europeans took transfer of such properties, of which they were the nominal

legal owners, but of which the Indian was the virtual and beneficial owner. The usual procedure, in order to protect the Indian owner, was to register against the title-deeds a mortgage-bond in favour of the Indian by the European nominal owner. I myself am the legal "owner" in this way of several properties belonging to former clients, to whom, in each case, I have passed a mortgage-bond. Such an instance is statutorily recorded in section 19 of Act 36 of 1905. The ownership of a mortgage bond effectively protects the Indian mortgagee, and property in it is quite legal, as it is not, in Roman Dutch law, treated as "fixed" property. These transactions were frequent up to 1914, and were recognized both by the Government and by the Courts. The former, on more than one occasion, took legal advice, and the Courts decided that the Indian "virtual" owner had a legal claim against the estate of the European registered owner, concurrent where no mortgage-bond had been passed, preferent where it had been.

In 1913 it was discovered that the Transvaal Company Act of 1909 could be used to give Indians a nearer indirect ownership of "fixed" property. It enables any two persons, irrespective of race, colour, or sex, to become members of, and register a private company, with limited liability, for any lawful purpose. As, in Roman Dutch law, the *persona* of a company or corporation is different to, and separate from that of the individual members of it, the ownership of "fixed" property was a lawful purpose. Since 1913 Indians have acquired a number of properties by this means. I have myself registered several such companies for the express purpose, among many others, of acquiring "fixed" property. Such indirect ownership has been held by the Courts to be legal.

It should, therefore, be noted that—

- (i) the first "evasions" of the purpose and intention of Law 3 of 1885 were not merely connived at but actually recommended and aided by the Republican Government;
- (ii) no less than two methods of "evasion" or indirect ownership were practised by Indians and recognized by the Courts and the Government of the Province;
- (iii) the right of indirect ownership has been exercised almost ever since the passing of Law 3 of 1885 until the present time;
- (iv) the number and value of properties thus owned by Indians is extraordinarily small as compared with that owned by Europeans.

Assuming that it is not possible to secure the withdrawal of the present Bill, but not otherwise, and merely for the purpose of rendering it as little harmful as possible to Indians, the following amendments or proposals are suggested:—

- (a) It should be ascertained whether *both* of these methods of indirect ownership are dealt with in the Bill or not.
- (b) If they are, an amendment should be inserted reserving to Indians the right of ownership of mortgage-bonds upon "fixed" property.
- (c) If only the second method is dealt with it should be made certain that no amendment is inserted depriving Indians of the right to avail themselves of the earlier practice.
- (d) It is understood that an amendment of Law 3 of 1885 is contemplated, making it impossible for Indians to acquire ownership of "fixed" property through companies or corporations in which Indians have a controlling interest. This method of direct anti-Indian legislation is highly objectionable. It has always been the aim of the Indian community to prevent the enactment of legislation of a clearly racial and differential character. The same purpose as it is now sought to achieve may be secured in other ways. I propose that, instead of an amendment of Law 3 of 1885, an offensive piece of anti-Asiatic legislation, there should be an amendment of the Company Law, giving power to the Registrar of Companies, in his discretion, to refuse to grant the registration of any company. He can then receive private official instructions to refuse to register any company or corporation in which Asiatics have a controlling interest whose memorandum of association contains a provision for the acquisition of "fixed" property. By this means racial discrimination by statute is avoided, the law being, in terms of general application, the same principle being, in fact, adopted as under the Union Immigration Law.

Trading.

In the Transvaal trade is carried on under general dealers', or under hawkers' and pedlars' licences. The former are invariably issued by the Government, whether within or outside of municipal areas. But under the Local Government Ordinance of 1912 municipalities are also empowered to require any person engaged in the sale or storage of foodstuffs for human consumption to take out a "grocery" licence from the municipal authority. Hawkers' and pedlars' licences are issued by municipalities within municipal limits, and by Government outside these limits. The Indian community is almost entirely dependent upon its trade, either as general dealers or as hawkers and pedlars. It is now proposed to restrict the trading enterprise of Indians carrying on business in areas proclaimed under the Gold Law (1909). The new measure will thus affect the means of livelihood of the majority of Indians in the Transvaal who are resident in such areas, which include the most populous towns in the Province. Rights acquired prior to and since 1914, and licences taken out up to 1st May, 1919, are to be recognized and validated, if necessary. But no new licences are to be issued to Indians for proclaimed mining areas. It is not believed that the new restriction is to extend beyond those areas, though this should be definitely ascertained.

The following proposals are now made, on the same assumption as above mentioned, to render the measure as little harmful as possible:—

- (i) For the same reasons as above, instead of amending the Gold Law, which contains already specific anti-Asiatic provisions, the Revenue Licences Ordinance and the Local Government Ordinance should be amended, in general terms, empowering the Government or a municipality to refuse to any person, in its discretion, a new general dealer's or a grocer's (or similar) licence.
- (ii) This power should be restricted to such areas and not extended beyond them.
- (iii) The issue of hawkers' and pedlars' licences, as heretofore, should not be affected. Indian hawkers are a great convenience to the European population, whether within or outside municipalities, conveying commodities to the house-doors and on to farms. Moreover, the Indian wholesale firms depend very largely upon the sales of the hawkers and pedlars they employ in considerable numbers.
- (iv) New licences should, except for specified reasons affecting the character or cleanliness of person or premises of the licensees, be issued (a) by municipalities to Indians already carrying on business within their limits for branch businesses of the same kind in the same municipal areas, and (b) by Government, for branch businesses in the same district.
- (v) New licences should be granted, upon the usual conditions to South African-born Indians. The rights of these (who cannot ordinarily leave South Africa, or even the Transvaal, and who have no knowledge whatever of conditions of life in India or elsewhere) should be especially safeguarded. Unless they are the children of traders, their capital will be very small and insufficient to purchase existing Indian licences, whose limited numbers will give them an artificial value.
- (vi) New licences should be issued as heretofore for the sale of South African produce or to keepers of restaurants, refreshment rooms, or eating houses.
- (vii) No interference should be permitted in the present rights of Indians to transfer their businesses to other Indians, to take other Indians into partnership freely, and to transmit their trading rights and businesses to their legal heirs or to transfer them to companies and corporations in which Indians have a controlling interest. The licences for such businesses should not be regarded in law as new licences.

Only such points as it is necessary to raise, having regard to the language of the present Bill, should be raised. It is undesirable to put forward suggestions where no provision is made for the extreme forms of limitation assumed in the foregoing recommendations.

Enclosure 2 in No. 75.

Sir,

23rd May, 1916.

My Association has observed recently what appears to be a concerted action on the part of Transvaal municipalities to refuse to issue municipal licences to Indian applicants, and my Association has reason to believe that this procedure has been adopted by agreement amongst municipalities, possibly by resolution of your Association. My Association has also deduced from its observations the probability that such decision must have been reached by reason of some misunderstanding as to the nature of the settlement reached between the Government and the Indian community of the Transvaal in 1914, and this surmise has been confirmed by the newspaper report of the proceedings of the Krugersdorp Town Council in refusing the issue to an Indian applicant of a municipal licence, not only on one of the grounds mentioned under section 99 of the Local Government Ordinance, 1912, but also in terms of the agreement entered into between the Government and Mr. Gandhi on behalf of the Indian community. On behalf of my Association I thereupon communicated with that municipality, asking them to furnish my Association with the grounds upon which they based their statement, and I received a reply referring my Association to the Department of the Interior, with whom I accordingly communicated. My Association has now received a reply stating that in all probability the basis of the statement made at the meeting of the Krugersdorp Town Council was a paragraph appearing in a letter addressed personally by Mr. Gandhi to Mr. Gorges, then Secretary for the Interior, on the 7th July, 1914, and, upon reference thereto, it appears to my Association to be clear that a complete misunderstanding has arisen as to exactly what was Mr. Gandhi's attitude at that time.

In order to place the matter upon a proper basis I have sought the permission of the Department of the Interior to communicate to you, which I do herewith, for transmission as a *private document not for publication*, to the various municipalities that are members of your Association, of Mr. Gandhi's letter of the 7th July, 1914. From an attentive perusal of this document you will observe, in the first place, that Mr. Gandhi throughout is discussing the position of Indians *under the Gold Law and Townships Act*, for at that time, and in the absence of certain judicial decisions that have since been given, the position of Indians in certain areas was considerably jeopardized by the actual or threatened operation of the Gold Law at the hands of the Government, and Mr. Gandhi's definition of "vested interests" applies only in regard to its relationship to the Gold Law and Townships Act. It has no direct or indirect reference whatever to the issue or non-issue of trading licences, and certainly none as to licences issuable by municipalities, which was not in his contemplation or that of my Association at that time.

You will also observe that in any event Mr. Gandhi's statement was one of his own personal views, and that he expressly safeguarded himself from saying anything that would bind the Indian community, especially having regard to his approaching departure from South Africa.

It must be quite obvious to your Association that the Indian community cannot possibly be a party to such restriction of licences as has evidently been contemplated by the municipalities, if only for the fact that provision must be made for those Indians who are born or have been brought up in this country, though, of course, this is but one of many reasons why the Indian community will decline to be a party to such an arrangement as has evidently been agreed upon in the absence of any reference to themselves.

I have, therefore, to request that your Association will be so good as to do what is necessary to place the facts hereinbefore referred to in a suitable manner to the notice of the various municipalities that constitute your Association.

Thanking you in anticipation

I have, &c.,

A. M. CACHALIA,
Chairman.

The Secretary,
Transvaal Municipal Association,
Johannesburg.

DEAR MR. GORGES,

7th July, 1914

I HAVE NOW got a moment to submit my note upon the Gold Law. As you know, after maturer consideration, I refrained from pressing for the insertion of a special clause defining "vested rights" in connexion with the Gold Law and Townships Amendment Act, because I felt that any definition in the correspondence might result in restricting the future action of my countrymen. However, so far as my interpretation of "vested rights" is concerned, I think I shall reduce it to writing. General Smuts was good enough to say that he would endeavour to protect vested rights as defined by me. The following is the definition I submitted to Sir Benjamin Robertson, who, I understood, submitted it to General Smuts. My letter containing, among other matters, the definition, is dated the 4th March, 1914: "By vested rights I understand the right of an Indian and his successors to live and trade in the township in which he was living and trading, no matter how often he shifts his residence or business from place to place in the same township." I am fortified in my interpretation by the answer given by Mr. Harcourt in connexion with the matter, in the House of Commons, on the 27th June, 1911: "Complaints against that legislation (the Gold Law and Townships Amendment Act) have been made, and are now being investigated by the Government of the Union of South Africa, who have lately stated that there is no intention of interfering with any business or right to carry on business acquired and exercised by Indians prior to the date of the legislation." I have also now traced the note by Mr. De Villiers which I alluded to in our conversation. It is contained in a White Paper published in London in March, 1912, and has the following: "No right or privileges which a coloured person has at the present time is taken away by the new Act (Act 35 of 1908)." And, again, "Section 131, which, before the Bill was introduced into Parliament, formed the subject of questions in the English House of Commons and of despatches from the Secretary of State to the Governor, has been amended in Committee so as to safeguard any rights which a coloured person may at the present time have of occupying land in mining areas." Certainly, prior to the passing of the Gold Law, no restrictions were, to my knowledge, placed upon the movement or the trade of British Indians in the gold areas. There can, therefore, be no justification for any restriction now, especially in regard to those who are already settled in their respective townships.

I am, &c.,
M. K. GANDHI.

E. M. Gorges, Esq.,
Pretoria.

Enclosure 3 in No. 75.

EXTRACT FROM LETTER FROM M. K. GANDHI, Esq., TO H. S. L. POLAK, Esq.,
AUGUST, 1917.

WITH reference to the correspondence dated 23rd May, 1916, regarding the interpretation of the term "vested rights." In my letter of the 7th July, 1917, addressed to Mr. Gorges, I entirely concur in the opinions therein expressed. I think that my letter is not capable of bearing a double interpretation, and, as stated therein, it cannot in any case be acted upon without its being accepted by the community.

34175

No. 76.

COLONIAL OFFICE to INDIA OFFICE.

(Confidential.)

SIR,

Downing Street, 12th June, 1919.

WITH reference to your letter of the 27th May* I am directed by Lord Milner to transmit to you, to be laid before Mr. Secretary Montagu, copies of telegrams† from the Governor-General of the Union of South Africa regarding the Bill which has been introduced into the Union Parliament respecting the position of Indians in the Transvaal.

2. Lord Milner is in communication with General Botha on the subject.

I am, &c.,

HENRY LAMBERT.

* No. 69.

† Nos. 71 and 72.

36153

No. 77.

MR. H. S. L. POLAK to COLONIAL OFFICE.

(Received 18th June, 1919.)

[Answered by No. 84.]

47-48, Danes Inn House,

DEAR COLONEL AMERY,

265, Strand, London, W.C.2, 13th June, 1919.

As promised, I now send you the details of the proposal to exclude Natal Indians from the municipal franchise. A conference of the municipal authorities of the Province has been held to consider a draft ordinance to consolidate and amend the law relating to the municipal franchise, and among other things the qualification of the election of town councillors. This ordinance, unless drastic changes are made in it, will presently come before the Provincial Council, and it will provide:—

- (a) That every person of *European* descent, male or female, being a British subject and possessing certain specific qualifications, shall be entitled to be enrolled as a burgess and to vote at the election of Councillors, and
- (b) That every person of *European* descent, male or female, of full age, being a British subject, who is enrolled as a burgess and possessing certain specific qualifications, shall be eligible to be elected a Councillor, and qualified to hold office as such.

This is the third time, at least, that an attempt has been made to create a racial bar and to confine the municipal franchise and election of councillors to white persons, thus excluding all Indians, even Natal born, not already on a voters' roll. I venture respectfully to suggest that before this matter is allowed to proceed any further, and having regard to the rapidity with which various stages of the Transvaal anti-Indian Bill have been taken, the Colonial Office will make such representations as it may be advised to prevent this further injustice to the resident Indian population.

Yours, &c.,
H. S. L. POLAK.

35290

No. 78.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.24 p.m., 13th June, 1919.)

TELEGRAM.

13TH JUNE. Confidential. With reference to my telegram 11th June, Confidential.* Indians, House of Assembly by fifty-five votes to twenty-two has acquiesced in deletion of new clause. Minority consisted of Nationalists, three South African Party, one Labour.—BUXTON.

35837

No. 79.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.5 p.m., 16th June, 1919.)

TELEGRAM.

[Answered by No. 80.]

(Paraphrase.)

16TH JUNE. My telegram Confidential, of 13th June,† regarding Indians, Transvaal Indian Association and other smaller associations, although the new clause was deleted, are urging me to withhold assent. I feel sure that on grounds of high policy it would be very inadvisable either to withhold assent or to reserve the Bill, and that such action on my part would in the end only make matters

* No. 74.

† No. 78.

worse for the Indians themselves. When the Bill is submitted to me, as it will be before Parliament rises, I propose, therefore, to signify assent. Session is likely to end on 20th or 21st of June.

I may add that I have seen Alexander, who, on behalf of Indians, moved for Select Committee. It would be a grave blunder on their part, he thinks, if they succeeded in securing disallowance or reservation.—Buxton.

35837

No. 80.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.50 p.m., 17th June, 1919.)

TELEGRAM.

(Paraphrase.)

17TH JUNE. Reference your telegram 16th June* on subject of Indians Bill. Course proposed has my approval.—MILNER.

36203

No. 81.

INDIA OFFICE to COLONIAL OFFICE.

(Received 19th June, 1919.)

[Answered by No. 83.]

(Confidential.)

SIR, India Office, Whitehall, London, S.W., 18th June, 1919.

I AM directed by the Secretary of State for India to refer to my letter dated 27th May, 1919,† on the subject of the report of a Select Committee on certain questions affecting the status of Indians in the Transvaal.

It is understood that a Bill has now been introduced in the House of Assembly, and has passed its third reading, which, so far as it deals with the ownership of land by Indian limited liability companies in the Transvaal, deprives such companies of their existing right to acquire such ownership from 1st May, 1919.

It is also understood that a new clause was inserted in the Bill, against the wishes of its promoters, dealing with the question (which did not come before the Select Committee) of the grant of trading licences to Indians, and that the effect of this would be to empower a licensing authority to refuse an application on the sole ground of the applicant being an Asiatic. This would deprive Indians of the protection of the Courts, which at present uphold appeals against the refusal of licences when no reason can be alleged for such refusal otherwise than on purely racial grounds. Such a change in the law would obviously be a most serious attack on the economic basis of the life of the Indian community, and Mr. Secretary Montagu cannot believe that it will under any conditions be permitted by the South African Government.

As regards the question of ownership of real property, Mr. Montagu is aware of the sympathetic consideration which is habitually accorded by the Governor-General and the Government of the Union to the interests of the Indian community, and recognizes that it may have been difficult in the present instance to withstand the demands of European public opinion in and outside the Union Parliament in favour of giving effect to the original intentions of the Transvaal legislature. But he cannot but regard it as regrettable that such legislation should have been thought necessary at the present time. Apart from the fact that the position in the Transvaal has completely altered since 1885, he fears that this measure is liable to be resented as a breach of the spirit, if not of the letter, of the understanding reached between General Smuts and Mr. Gandhi in 1914, since, though existing owners may be respected, an existing right to acquire ownership is to be abrogated for the future.

* No. 79.

† No. 69.

I am to forward, with reference to these questions, copy of a telegram which has been received from the Viceroy on this subject. The telegram from the Governor-General of South Africa, of 17th April,* which stated the recommendations of the Committee, has been communicated to the Government of India by mail of 7th May. With regard to the Viceroy's reference to Law 3 of 1885, Mr. Montagu wishes again to draw attention to the contrast between the action now proposed and the attitude of South Africa's representatives towards the memorandum on this subject at the Imperial War Conference of 1918.

Any protest from the Indian community in South Africa which appears to be based on justifiable grounds finds an immediate response in India, and for this reason alone Mr. Montagu cannot disinterest himself in such matters.

He accordingly trusts that any fresh legislation of restrictive character will at any rate be limited to the narrowest possible bounds, and would suggest, for Viscount Milner's consideration, that the Government of the Union should be consulted by telegraph before further progress is made with the Bill, with this object in view.

I have, &c.,

T. W. HOLDERNESS.

Enclosure in No. 81.

VICEROY, COMMERCE AND INDUSTRY DEPARTMENT, to INDIA OFFICE.

(Received 10.0 a.m., 10th May, 1919.)

TELEGRAM.

No. 3825. 31st May, 1919. Your letter dated 30th April, Indians in South Africa. We have received following telegram from Transvaal British Indian Association:—*Begins.*—[See sub-enclosure to enclosure 1 in No. 70.]—*Ends.* Is statement of Committee's recommendations correct? If so, does recommendation to refuse new trading licences refer to section 80 of Act 35 of 1908, or to trading licences generally? We should be glad of further information on this point. We also regard proposed action with regard to Law 3 of 1885 as a breach of Burton's undertaking at last [Imperial] Conference to consider sympathetically Sinha's memorandum which specifically referred to this question. We trust that you will press this view on the Colonial Office.

36911

No. 82.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.48 p.m., 21st June, 1919.)

TELEGRAM.

21ST JUNE. With reference to your telegram 17th June,† Indian Bill. I received yesterday representatives of Transvaal British Indian Association, who came to urge that assent should be withheld. I discussed matter at considerable length, giving them as my private opinion that if Bill were disallowed it would be greatly to disadvantage of present traders and their successors, and, therefore, to community as a whole. They appeared to be impressed, but will, I think, feel bound to make protest of some gravity. I have no doubt, however, in my mind that, in spite of its drawbacks, Bill is best Indians can get in present circumstances, and that if disallowed existing licences and property owners will be, as they themselves admit, probably ruined before any further legislation could be passed, and such further legislation would almost certainly be even less liberal. I have now signified assent.—Buxton.

* No. 63.

† No. 80.

36203

No. 83.

COLONIAL OFFICE to INDIA OFFICE.

SIR, Downing Street, 25th June, 1919.
I AM directed by Lord Milner to acknowledge the receipt of your letter of the 18th June* on the subject of the legislation recently introduced in the Union Parliament with regard to the position of Transvaal Indians.

Mr. Secretary Montagu will now be aware that the clause relating to the grant of trading licences which was adopted during the Committee stage was subsequently deleted from the Bill by the Senate, and also that the Bill has now received the assent of the Governor-General.

I am to mention that the session of the Union Parliament closed on the 20th June.

I am, &c.,
G. GRINDLE.

35946

No. 84

THE PRIVATE SECRETARY to COLONEL AMERY to MR. H. S. L. POLAK.

DEAR MR. POLAK, Downing Street, 25th June, 1919.
COLONEL AMERY wishes me to acknowledge the receipt of your letters of the 12th and 13th June† on the subject of Indian disabilities in South Africa.

You will probably be aware now that the new clause regarding trading licences, which was adopted during the Committee stage of the Asiatics (Land and Trading) Amendment Act, was subsequently deleted in the Senate, and the deletion was accepted by the House of Assembly.

Colonel Amery has noted what you say about the proposal to exclude Natal Indians from the Municipal Franchise and the question will be carefully borne in mind.

Yours, &c.,
R. A. WISEMAN.

39087

No. 85.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2nd July, 1919.)

[Answered by No. 87.]

(Confidential.)

MY LORD, Governor-General's Office, Cape Town, 13th June, 1919.

On 8th January,‡ I wrote you at some length in regard to the question of the British Indians in the Union. I did not then anticipate that "the Indian Question" would be raised in the Session of Parliament that was just about to be held.

2. But, in consequence of the action of the Krugersdorp Municipality (see my telegram of the 31st March§), the question has been raised, and by the Indian traders themselves. The result is that a Bill dealing with certain trading and ownership questions affecting the British Indian community in the Transvaal has been discussed, and has now passed both Houses.

3. I have endeavoured by a series of telegrams to keep Your Lordship informed of the most important developments in regard to the Parliamentary Inquiry and the resulting legislation upon questions affecting the trading facilities of British Indians in the Transvaal.

4. It may be convenient, however, now that the Asiatics (Land and Trading) Amendment Bill has practically passed, to describe more fully the progress of events since the appointment, towards the end of March, of a Select Committee on Indian Disabilities.

* No. 81.

† Nos. 75 and 77.

‡ No. 37.

§ No. 59.

5. Your Lordship will recollect that the appointment of the Committee arose directly out of the presentation of a Petition to the House of Assembly by certain members of the Committee of the Transvaal British Indian Association and the Krugersdorp branch thereof. I append a copy of the text of the Petition. It will be observed that the Petitioners describe themselves as representing British Indian traders who have established businesses at Krugersdorp as well as the British Indian Association, and that, while complaining generally of the restrictive provisions of the existing law, they express an apprehension that a general campaign may be in progress with the object of ousting Indian trade from the Transvaal. They proceed to say that they "are gravely concerned with the retention and safeguard of those rights to trade which they have hitherto been allowed to enjoy, and which since the settlement arrived at with the Government in 1914, when General Smuts was Minister of the Interior, they were given to understand would in no way be affected." It would seem, therefore, that the primary purpose of the petitioners was to obtain security for trading rights actually in existence.

6. A copy of the Report of the Select Committee is in Your Lordship's possession. It would not be possible within the limits of time and space at my disposal to attempt a précis either of the Report itself, or of the very interesting Minutes of Evidence which are attached thereto.

7. I feared at first that a Committee, constituted as this was, might have yielded to the temptation of allowing the claim of Indians for protection of existing rights to be outweighed by the counter-claim of European traders for protection against Indian competition. I did what I could to impress both upon the Minister of Justice, who was a Member of the Committee, and upon the Acting Prime Minister, a due appreciation of the important Imperial interests at stake. It would, of course, have been neither correct nor judicious for me to intervene officially, and the representations I made were entirely informal. As a general rule, they were made verbally, but on one occasion at least I thought it desirable to give Mr. de Wet a written statement of my views.

8. I enclose herewith a copy of the private letter which I addressed to him on the 12th April, covering a brief memorandum on certain points which I was anxious to press upon his attention.

9. I was primarily concerned to dispel, so far as I could, the impression that Mr. Gandhi, in his agreement with General Smuts in 1914, had defined the high-water mark of Indian aspirations in regard to trading facilities by his stipulation for the protection of vested rights, and that any Indians who since 1914 had obtained, or attempted to obtain, new trading licences on proclaimed ground had been guilty of a breach of the agreement. As I understand the position, Mr. Gandhi in 1914 was defining conditions which, while they constituted the maximum then obtainable, amounted only to the minimum of the concessions requisite for an amicable settlement. It seems to me that so far from committing the Indian community to a pledge that nothing further should ever be asked for in future, he was distinctly looking forward to the advent of better days, when the gradual disappearance of prejudice would enable the Indians to enter into the enjoyment of more extensive rights. The prevalence of a misconception of the real effect of the Smuts-Gandhi agreement has been one of the most troublesome factors in the situation, and has been used freely by Sir Abe Bailey and other critics of the Bill as an argument for restricting its protective provisions to such rights only as were in existence in 1914.

10. I thought it prudent also to lodge a caveat against the assumption that the Petition which had been referred to the Committee was a statement of the case of the whole Indian community. I regard it rather as a plea by those Indians who have actually acquired rights for security in their enjoyment than as a declaration of the aspirations of the community as a whole.

11. I also endeavoured to show that where Indians, either before or since 1914, had been suffered to acquire trading rights, whether in the result of administrative inaction or through loopholes in the law, it would be unjust to deprive them of such rights by retrospective legislation, even if it were necessary so to alter the law as to prevent future evasions or circumventions of its intention.

12. I was much relieved when I learnt that the Committee had decided, after a division in which one of the Nationalist members, Mr. Joubert, voted in the majority, that protection should be given to existing rights, whether acquired before or since 1914, and that such protection was to be extended to lawful successors in title, so long as the businesses in question remained in one and the same township.

13. The Committee drafted a Bill giving effect to their recommendations, and this was introduced by the Chairman, Mr. Rooth. Prior discussion of the Committee's Report was dispensed with, probably with a view to saving time, and its place was taken by the debate on the Second Reading. The operative portion of the Bill was contained in two clauses, the first of which applied to the residence on, or occupation of, proclaimed land in the Transvaal by Indians, while the second dealt with the ownership of fixed property in the whole of the Transvaal by Indian companies.

14. By the former clause protection was given to any British Indian who on the 1st May, 1919, was carrying on a business on proclaimed land or in any Government township, under a trading licence lawfully issued, in respect of such business, or to any persons bona fide in his employment or to his successor in title, so long as the business was carried on in one and the same township.

15. By the latter clause the restrictions of the old Transvaal Republican Law No. 3 of 1885 against the ownership of fixed property in the Transvaal by individual Asiatics were extended to companies in which one or more Asiatics had a controlling interest, but rights of ownership acquired by such companies before the 1st May, 1919, were not interfered with. Such rights, I may mention, are not legalized by the Bill. If they were lawfully acquired they are protected, but if, in the result of litigation which is still pending, the Courts should rule that their acquisition was unlawful, the Bill would not interfere with the results of such a decision.

16. The Bill, on its Second Reading, encountered much hostile criticism as conceding too much to the Indians. The opposition proceeded mainly from members for constituencies on the Witwatersrand, headed by Sir Abe Bailey. He sits for Krugersdorp, the municipality in which the trouble directly responsible for the Indian Petition had come to a head. Throughout the proceedings in the House of Assembly Sir Abe has figured as the protagonist of the anti-Indian movement, although he was aided and abetted by several Unionist members from the Witwatersrand, and their action was not unnaturally followed by many of the South African Party members.

17. The tone of his speeches was even more unfortunate than their substance, and it cannot but be a matter for regret that a man who has always claimed to be a sound Imperialist should, even under the stress of electoral exigencies, have turned so blind an eye to the Imperial aspect of the question.

18. The Second Reading was allowed to pass without a division, after it had become obvious that the real fight was being reserved for the Committee stage, when a determined attempt would be made at the very least to exclude from protection any rights acquired by Indians since the Smuts-Gandhi agreement of 1914. The first division took place upon an amendment moved by Mr. Papenfus, the South African Party member for one of the Johannesburg divisions, supported by Sir Abe Bailey, to substitute the 17th July, 1914, for the 1st May as the final date qualifying Indian licence holders for protection for themselves, their employees, and their successors, in respect of the occupation of premises on proclaimed land.

19. At one time there seemed to be a serious risk of this amendment being carried, and it was only after a strong appeal by the Acting Prime Minister, in which he promised to appoint during the Recess a Commission to consider the whole Indian question, that the Committee decided to reject it by forty-nine votes to thirty-seven.

20. Colonel-Commandant Collins, the South African Party member for Ermelo, then moved the introduction of a new *Clause 2*, empowering any licensing authority within the whole of the Transvaal to refuse, without reason assigned, an application for a new licence by any Asiatic who was not on the 1st May, 1919, carrying on business within the area subject to the authority concerned.

21. The Minister of Justice, Mr. de Wet, uttered words of protest and warning, which were the more courageous and praiseworthy in view of the strong feeling prevalent in his own constituency (Potchefstroom) and of his personal opinions on the subject of Indian trading. Mr. Malan deprecated action before the matter had been properly inquired into, as it would be by his proposed Commission.

22. The Committee, however, was not in a conciliatory temper, and Mr. Collins's new Clause was adopted by forty-five votes to thirty-one. The Nationalists, two Rand Unionists (Messrs. Nathan and Rennie), three Labour members (Messrs. Cresswell, Madeley and Sampson), and the bulk of the South African Party voted

in the majority. The minority included the members of the Cabinet, the Natal members, with the exception of General Myburgh, two Labour members (Messrs. Boydell and Stewart, representing Durban and East London respectively), the bulk of the Unionists (including Mr. Blackwell, who otherwise has adopted a consistently anti-Indian attitude), and three members of the South African Party, other than Ministers and other than those from Natal—viz.: Mr. Rooth, Chief Government Whip, who was Chairman of the Select Committee, Mr. Neser, Chairman of Committees, and Dr. de Jager, a Cape member.

23. On the next Clause (dealing with the ownership of land by Indian companies) an attempt to set back the protecting date from 1919 to 1914 was defeated by sixty votes to twenty-two, and in a further division by fifty-two to twenty-nine.

24. Mr. Rooth, the member in charge of the Bill, moved certain amendments with the object of applying the restrictions of the Transvaal Law of 1885, not only to Indian companies, but also to the registration of mortgages in favour of Asiatics—thus blocking up a loophole which was freely used by Indians before the practice of forming companies for the ownership of land had come into vogue. This amendment was accepted without a division, as also was a further amendment moved by Mr. Rooth, providing for the sale, within a period of two years, or within such further period as a competent Court might allow, of land acquired by Indian companies since the 1st May, 1919.

25. The Bill, as it emerged from Committee, was therefore, even apart from the new Clause, somewhat more restrictive in effect than the Bill as originally introduced. It would probably have been wrecked had not Mr. Rooth made the concessions to Sir Abe Bailey and his friends to which I have referred above. These alterations, although they cannot be welcome to the Indians, are at any rate defensible on the ground that, while they do not interfere with vested rights acquired before the 1st May, 1919, they are designed to prevent further evasions or circumventions of the intention of the existing law.

26. The new Clause (which became Clause 2), however, was on an altogether different footing, and before the Bill came up for Report in the House of Assembly, I made strong verbal representations to the Acting Prime Minister. I pointed out to him that this Clause was practically outside the scope of the original Bill, which did not touch the licensing law at all, but was only concerned with the occupation of land or premises on proclaimed ground for residential or trading purposes, and the question of the ownership of fixed property in the whole of the Transvaal by Indian companies. I urged that an amendment of the Licensing Law had not been considered by the Select Committee, and that, as he had promised a Commission to investigate the whole Indian question, it would be a monstrous thing that the matter should be prejudged in this way by a side wind in the House without any opportunity having been given to the Indian community to state their case. I represented to him that a decision on such a point as this ought only to be reached after careful consideration, and after all sides had been properly heard; and I impressed upon him my view that the present moment was almost the worst which could have been selected for raising this very large question which would seriously affect the whole Indian community, and that on Imperial grounds it seemed highly advisable to postpone its consideration until the unsettlement in India and elsewhere had subsided. I asked him whether there was any possibility of securing the deletion of the Clause at the Report stage, and I expressed the hope that he would do his best with his Party Caucus to that end.

27. Mr. Malan, who fully appreciated the position and agreed with my argument, promised to consult his colleagues, and to do what he could in Caucus, but he was not sanguine that it would be possible to make sure of a majority for the deletion of the new clause when it came up on Report, and he pointed out that, if the matter were pressed to a division with an adverse result, it would become very difficult to attempt rectification in the Senate. I also discussed the matter with Mr. de Wet and had several conversations with Sir Thomas Smartt, who was most anxious to give a helping hand. He likewise was rather dubious as to the wisdom of forcing a division on Report, but had no apprehensions as to the attitude of his supporters in the Senate, and thought that it would be possible to secure the excision of the Clause there.

28. When the Bill as amended in Committee came up for Report in the House of Assembly, Mr. Alexander asked for the Speaker's ruling whether the new Clause was not in conflict with the provisions of Clause 1. The Speaker, however, declined to give a ruling on a point of legal interpretation.

29. Mr. Malan then made a strong appeal that the new Clause should not be insisted on. He referred to the diversity in the law of the various Provinces in regard to the conditions under which Asiatics could obtain trading licences, and said that the Government felt that there should be a uniform policy on this point throughout the Union. This, however, would necessitate previous inquiry, and it would be inadvisable to alter the law in one particular Province without such inquiry. He hinted that the Government would not be likely to issue general instructions to its Revenue Officers in the Transvaal for the refusal of licences to Asiatics, even if the Clause were allowed to stand. He then laid stress on the objection that the Clause imposed a new disability on Asiatics by name, and that it did so without their having been given an opportunity of stating their case. He concluded by renewing his promise that a strong Commission would be appointed to go into the whole question of Asiatics in the Union and not merely in the Transvaal.

30. Sir Abe Bailey delivered another of his truculent speeches, and Colonel Collins intimated his inability to withdraw the Clause. Mr. Joubert, who was one of the two Nationalist members of the Select Committee, supported Colonel Collins. It had become evident that the issue of a division would be doubtful, and it was thought prudent therefore to allow the Clause to stand.

31. The Bill passed through the Report stage after a few drafting amendments had been made at the instance of Mr. Rooth, and was then read a third time, and sent up to the Senate.

32. The Second Reading debate in the Senate was satisfactory in tone and temper, and left little doubt that in Committee Colonel Collins's new Clause would be excised. This was done, after a brief debate, by eighteen votes to seven. The minority included Senator Ware, a Labour man, but was otherwise composed of Dutch Senators who were either Nationalists or associated with the backveld. Senator Whiteside, the other Labour member in the Senate, voted in the majority. No other amendments were made in the Bill, which passed the Report and the Third Reading stages, and was returned to the House of Assembly.

33. The Bill as amended by the Senate came up in the House yesterday. After a debate, the action of the Senate in omitting the Collins Clause was accepted by a vote of fifty-five to twenty-two. The majority comprised the Unionists and a large number of South African Party members, many of whom had been conspicuous by their absence when the Clause was inserted in Committee of the House of Assembly. Colonel Collins himself supported Mr. Rooth's proposal for agreement with the Senate. The minority was entirely composed of Nationalists, with the exception of one Labour member (Mr. Sampson) and three of the South African Party, Colonel Pretorius, Mr. J. L. Grobler, and Mr. Oosthuisen, the latter of whom has recently betrayed distinct leanings towards Nationalism. Sir Abe Bailey had the good grace to stay away, and other absentees from the division list were Mr. Oresswell and Mr. Madeley, of the Labour Party. Messrs. Boydell and Stewart again voted in the majority against the Collins Clause. The division was a highly satisfactory one, but it must not be held to indicate the view which the House would have taken purely on the merits of the Clause. The Nationalists, as might have been expected, suggested that the interests of South Africa were once more being sacrificed for the interests of the Empire.

34. The Bill as it stands may, I think, fairly be regarded as satisfactory in respect of the protection which it gives to existing rights, and it is probably as favourable generally to the Indians as any measure which could have been obtained from the present Parliament. So far as the acquisition of new rights is concerned, it leaves the Indians in a less desirable position than that which they have hitherto occupied, inasmuch as it contemplates for the future a rigid enforcement of the restrictive provisions of the existing law and prevents any further circumvention thereof by such devices as have up to the present been discovered. Whether the ingenuity of the Indians and their advisers will be equal to the discovery of fresh devices remains to be seen.

35. It is unfortunate that the Indians should have selected this particular time to raise any question. They would, I think, have served their own interests very much better if they had let sleeping dogs lie, at any rate until after the General Election, for it is clear that Members of Parliament, who will very soon have to meet their constituents, are likely to be peculiarly susceptible to local prejudices.

36. The attitude which has been adopted by a large majority of the Transvaal members, and particularly by those from the Witwatersrand, is an index of the intensity of local feeling against the Indians, and as such it is not a hopeful omen for the future. Unless a Commission of Inquiry into the whole question had been promised, the Bill in all probability would either have failed to pass or would have been passed in a much more stringent form. The promised appointment of a Commission has postponed the evil day, but it has not, I fear, removed the prospect of further legislation which is likely to be restrictive rather than remedial in effect. Much, no doubt, will depend upon the personnel of the Commission, and it may perhaps not be too much to hope that, even if its outcome should be unfavourable to any extension of Indian trading rights, some of the vexatious anomalies of the existing law might be removed. It might be of some advantage to the Indian community as a whole if the licensing law generally were to be co-ordinated and a right of appeal were universally given against arbitrary and unreasonable decisions of local authorities.

37. At the moment, however, we are only concerned with the Bill immediately under consideration, and, after the amendment made by the Senate and accepted by the House of Assembly, I shall not feel justified in withholding my assent or in reserving it for the signification of His Majesty's pleasure. I have received numerous telegrams from Associations in the Transvaal, asking me to grant an interview to a deputation whose object would be to represent reasons why the Bill should not receive assent. I deferred my reply until the final form of the Bill was known. It is possible that the deletion of Colonel Collins's Clause and the prospect of a Commission to inquire into the whole question may lead the Indian Associations to abandon the proposed deputation, but on that point I have not yet received definite information. The Bill in its present form at any rate does not differ very materially from the legislation recommended by the Select Committee, which a representative deputation of Transvaal Indians, who waited on the Prime Minister some little time ago, pronounced to be acceptable as a compromise.

I have, &c.,

BUXTON,
Governor-General.

Enclosure 1 in No. 85.

Petition No. 229, '19.

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF ASSEMBLY OF
THE UNION OF SOUTH AFRICA IN PARLIAMENT ASSEMBLED,

THE PETITION OF THE UNDERSIGNED—

Hajee Habib,

Mooljee G. Patel,

being members of the Committee of the Transvaal British Indian Association, and

Ismail Amod Patel,

being Chairman of the Krugersdorp Branch of the Transvaal British Indian Association,

Respectfully Sheweth:

Petitioners are British Indians residing and carrying on business in the Transvaal.

Certain of the Petitioners have suffered and are still suffering under the disabilities hereunder set out.

The Petitioners represent the British Indian Traders having established businesses at Krugersdorp, and further they represent by formal and unanimous resolution the Transvaal British Indian Association, a corporate body charged with safeguarding the interests of the British Indian community in the Transvaal.

Petitioners point out that British Indians in the Transvaal suffer under severe disabilities imposed on them merely by reason of their race and colour. The Indian community has patiently borne the burdens of the oppressive laws and regulations. From time to time they have represented their grievances to the Government and to Government Departments concerned in hopes that eventually the justice of their claims might be recognized and relief afforded them. So far from this being the case, efforts are now being made, and in several instances have been successfully

employed, having for their object the total and final ruination of the Indian Traders in the Transvaal and especially on the Witwatersrand Gold Fields.

The sequence of legislation and events leading up to the present critical position with which the Indian community in general and the Indian Traders more particularly is faced is briefly as follows:—

(a) Under Law No. 3 of 1885 (Transvaal) Indians were prohibited from acquiring the ownership in land in the late South African Republic, and this Law is still on the Statute Book. This Law provides *inter alia* as follows:—

Section 2 (b): "They may not be the owners of fixed property in the Republic. This provision is not retrospective."

Section 2 (c): "Those who settle in the Republic for trade or otherwise shall be registered in a Register to be kept exclusively for that purpose by the Magistrate of the respective districts, according to a form to be prescribed by the Government."

Section 2 (d): "The Government will have the right to indicate to them for purposes of residence certain defined streets, wards and locations."

Section 2 (e) furthermore provides that the registration fee contemplated by this section would be £25 (by Volksraad Besluit of 12th August, 1886, Articles 1418 and 1419, this fee was reduced to £3 0s. 0d.).

Petitioners desire to point out that under the provisions of Act No. 3 of 1885 their right to trade, subject to registration and payment of the prescribed fees, was unrestricted, and until the passing of Act 35 of 1908 (Gold Law) your Petitioners continued to enjoy this practically unrestricted right to trade. By this Act, however, serious disabilities were imposed upon Petitioners whereby in an indirect manner the rights they until then enjoyed were either curtailed or taken away, as will appear more fully from the following sections:—

Section 130: "No right may be acquired under this Act by a coloured person, and the holder of a right acquired under Law No. 15 of 1898 (i.e., the previous Gold Law) or a prior Law or under this Act shall not transfer or sublet any portion of such right to a coloured person, nor permit any coloured person other than his bona fide servant to reside on or occupy ground held under such right."

A penalty of £5 per day follows contravention of this section.

Section 131.—"No coloured person shall be permitted to reside on proclaimed land in Class A (which class includes the whole of the Witwatersrand Gold Fields) except in bazaars, locations, mining compounds and such other places as the Mining Commissioner may appoint."

A penalty of one month's imprisonment follows contravention of this section.

Petitioners point out that, although the provisions of Sections 130 and 131 of the present Gold Law have not, to their knowledge, been enforced by the Government against any persons affected thereby, it would appear that municipalities and individuals are able to avail themselves of these sections whenever they desire to benefit themselves, as, for instance, by ruining Indian competition in trade.

In this connection Petitioners beg to point out a specific instance of which details are attached to this Petition.

A British Indian who had held a trading licence for an appreciable number of years at Krugersdorp, and who held in connection with his business a stock of approximately £5,000, was compelled to forthwith close his business by order of Court obtained in January of this year at the instance of the Krugersdorp Municipality under the provisions of Sections 130 and 131 of Act No. 35 of 1908.

Petitioners are credibly informed that this is merely the commencement of a general campaign, having for its object the ruination of the Indian Traders in the Transvaal, and in connection herewith your Petitioners beg to direct attention to the following further aspects:—

The local Government Ordinance No. 9 of 1912 (Transvaal) empowers Municipalities to control and issue certain classes of trade licences and in particular grocers' licences.

The Ordinance provides that the Council may refuse to grant or to renew any licence which it is empowered to issue on certain grounds, including *inter alia*: "That the applicant is not a desirable person to hold such licence."

Petitioners find that Transvaal Municipalities have recently systematically refused to issue or renew grocers' licences to Indians, and their refusal is based on Section 90 of Ordinance 9 of 1912, and Petitioners submit that the provisions of this Section are used as a pretext enabling Municipalities to refuse the issue or renewal of licences to Indians.

Petitioners have ascertained that in no instance whatever in the Transvaal has a licence been refused to a European applicant under the provisions of Section 90 (e).

Petitioners beg leave to lay before this Honourable House specific instances in which trading licences have been refused to Indians, and in which such licences have been ordered by the Magistrate to be granted on appeal under Section 90 of the local Government Ordinance (Transvaal).

Petitioners have good reason for apprehending that a general campaign in this respect is also in progress, having for its object the ousting of Indian trade in the Transvaal. The fact that the decisions of Transvaal Municipalities in cases where the grant or renewal of trading licences to Indians are concerned have of late been frequently reversed on appeal appears to have led the Municipalities for their purposes to avail themselves of a Law under which there is no appeal, and in so far as certain proclaimed areas are concerned Municipalities are having enforced the provisions of Sections 130 and 131 of the Transvaal Gold Law.

Petitioners point out that if the provisions of Sections 130 and 131 of the Gold Law be enforced against Indian Traders a matter of between 300 and 350 British Indian Traders in the Transvaal will be directly affected and probably ruined, and that a capital of close on two million pounds sterling invested by them will be in jeopardy.

Petitioners beg to direct attention to the provisions of the Townships Amendment Act No. 34 of 1908 (Transvaal), in terms of which restrictions similar to those contained in Sections 130 and 131 of the Transvaal Gold Law are introduced in the Title Deeds of land acquired under the Gold Law so soon as such land is converted into freehold title; and that similar provisions are also inserted in the titles of all townships laid out under the provisions of the Townships Amendment Act.

Petitioners are gravely concerned with the retention and safeguard of those rights to trade which they have hitherto been allowed to enjoy, and which since the settlement arrived at with the Government in 1914, when General Smuts was Minister of the Interior, they were given to understand would in no way be affected.

Wherefore your Petitioners pray that your Honourable House will be pleased to take their case into favourable consideration and allow them to be heard through the medium of their Counsel, Doctor F. E. T. Krause, K.C., and Mr. W. P. Schreiner at the Bar of the House or grant them such relief as it may deem fit.

And your Petitioners as in duty bound will ever pray.

HAJEE HARIB.
MOOLJEE G. PATEL.
ISMAIL AMOD PATEL.

Enclosure 2 in No. 85.

Government House, Cape Town.

12th April, 1919.

MY DEAR MR DE WET,

I VENTURE to send you, quite unofficially, a note on one or two points that I raised to you, in order to make my meaning rather clearer. I have not attempted to discuss the questions raised from the legal point of view, but from the point of view of equity, and especially (with what I am mainly concerned) the Imperial point of view. You, I know, fully appreciate how important it is at this juncture that the Indians should not be able to claim that they have a fresh and genuine grievance.

Mr. Alexander was dining here last night, and I took the opportunity of speaking to him. He seemed to hope that he might possibly get a unanimous Report, but I am afraid he is rather sanguine, and I am not quite sure that he appreciated what to my mind is the very important point looked at from the "grievance" aspect, viz., the opportunity, under proper conditions, control and limitation, of Indians to obtain future trading facilities.

Yours very sincerely,

The Hon. N. J. de Wet, M.L.A.

BUXTON.

1.—Existing Licences, Vested Interests and the Gandhi Agreement.

It seems perfectly clear from Mr. Gandhi's letter of the 30th June, 1914, read with his letter of the 7th July, 1914, that, while in the latter he dealt with and defined "vested interests" he never intended to assume any attitude which would in the future reduce the facilities of Indians in reference to licences and the like, or which would place the Indian community generally in a worse position for the future.

On the contrary, I think it is clear from his letter of the 30th June that (while coming to an agreement with the Government in regard to the particular questions then at issue), he pointed out to his Indian friends, and through them to the Union Government, that the matters, of which this licensing question is one, "would require further and sympathetic consideration by the Government"; and that the Indians should exercise patience "so as to enable the Government of the day to go further" than that correspondence. This surely meant that, looking to the future, he contemplated that their position should be better and not worse.

Again, in his letter of 7th July, Mr. Gandhi starts by saying that he had not pressed for the insertion of a special clause defining vested rights, as he felt that that might "result in restricting the future action of my countrymen." He, however, gave his own definition of "vested rights;" and ended his letter by saying that "there can be no justification for any restriction now, especially in regard to those who are already settled in their respective townships." This shows that he was not only dealing with the present, but with the future as well.

You will recollect that the Minister had previously given the following pledge (June 30th, 1914):—

"With regard to the administration of existing laws, the Minister desires me to say that it always has been and will continue to be the desire of the Government to see that they are administered in a just manner and with due regard to vested rights."

It would seem therefore essential that, while existing rights should be secured, some means should be given to the Indian community of obtaining legally, under proper conditions, of course, reasonable facilities for further trading.

2.—Petition of the Traders.

It is not quite clear from this Petition whether the Petitioners are "gravely concerned" with the safeguards of existing licences, or whether they are concerned also with the right to obtain new licences. The wording would seem rather to imply the former, and that they are concerned only in securing their own vested interests. It is well known that Indian traders themselves are the greatest rivals to Indians. These persons, therefore, as licensees may not be speaking for the Indian community as a whole; and even though they themselves were satisfied, it would not necessarily follow that an injustice was not being done to the Indian community generally.

3.—Licences Granted between 1914 and now.

I understand that a suggestion has been made to the Committee that licences issued before "the Gandhi agreement" of 1914 should be statutorily secured, and that the rights acquired since then in contravention of the Gold Law should be annulled. But so far as these licences have been granted, though possibly it is now ascertained that in respect of the premises occupied by some of the licensees they were illegally granted, they were granted in good faith by the lawfully constituted Authority.

Under the law as administered application for licences were made, and the applications were considered by the Municipalities, and the licences were either granted or refused. If refused an appeal lay to the Magistrate, who in some cases has overridden the Municipality and allowed the licences. The Indians who have received licences either from the Municipality itself or under appeal to the Magistrate, in the belief that the action of the Authorities was lawful, should, as a matter of equity, be placed in the same category as the licensees up to 1914. It would be unjust to deprive them of their licences now.

4.—Question of Ownership of Land and Premises.

Whatever the merits, and if it be thought advisable to prohibit the future ownership by Indians registered as limited liability companies, it must not be forgotten that these Indians who as companies are now owners of land, premises or

stands, have acquired the property, and invested their money in a manner which a decision of the Supreme Court has declared to be lawful. In every case such property was lawfully acquired, and the owners are entitled to security therein.

No legislation which might be passed to incapacitate Indians registered as a limited liability company from owning fixed property should therefore be retrospective; and I can see no justification for an attempt to discriminate, by an inquiry or otherwise, between the several companies who have lawfully acquired fixed property.

BUXTON.

Government House, Cape Town.

12th April, 1919.

EXTRACT OF LETTER DATED 30TH JUNE, 1914, FROM MR. M. K. GANDHI TO MR. GORGES.

As the Minister is aware, some of my countrymen have wished me to go further. They are dissatisfied that the Trade Licences laws of the different Provinces, the Transvaal Gold Law, the Transvaal Townships Act, the Transvaal Law 3 of 1885, have not been altered so as to give them full rights of residence, trade, and ownership of land. Some of them are dissatisfied that full inter-Provincial migration is not permitted, and some are dissatisfied that on the marriage question the Relief Bill goes no further than it does.

They have asked me that all the above matters might be included in the passive resistance struggle. I have been unable to comply with their wishes; whilst, therefore, they have not been included in the programme of passive resistance, it will not be denied that some day or other these matters will require further and sympathetic consideration by the Government. Complete satisfaction cannot be expected until full civic rights have been conceded to the resident Indian population. I have told my countrymen that they will have to exercise patience and by all honourable means at their disposal educate public opinion so as to enable the Government of the day to go further than the present correspondence does. I shall hope that when the Europeans of South Africa fully appreciate the fact that now, as the importation of indentured labour from India is prohibited and as the Immigrants Regulation Act of last year has in practice all but stopped further free Indian immigration, and that my countrymen do not aspire to any political ambition, they (the Europeans) will see the justice and indeed the necessity of my countrymen being granted the rights I have just referred to.

Meanwhile, if the generous spirit that the Government have applied to the treatment of the problem during the past few months continues to be applied as promised in your letter in the administration of the existing law, I am quite certain that the Indian community throughout the Union will be able to enjoy some measure of peace and never be a source of trouble to the Government.

EXTRACT OF LETTER FROM MR. GORGES, DEPARTMENT OF THE INTERIOR, CAPE TOWN, DATED 30TH JUNE, 1914, TO MR. M. K. GANDHI, CAPE TOWN.

"With regard to the administration of existing laws, the Minister desires me to say that it always has been and will continue to be the desire of the Government to see that they are administered in a just manner and with due regard to vested rights."

39087

No. 86.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 89.]

(Confidential.)

SIR,

Downing Street, 18th July, 1919.

WITH reference to the letter from this department of the 24th June,* I am directed by Viscount Milner to transmit to you, to be laid before Mr. Secretary Montagu, a copy of a despatch† from the Governor-General of the Union of South Africa on the subject of the recent legislation respecting the position of British Indians in the Transvaal.

I have, &c.,

H. J. LAMBERT.

39087

No. 87.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential.)

MY LORD,

Downing Street, 18th July, 1919.

I HAVE the honour to acknowledge the receipt of Your Excellency's Confidential despatch of the 13th June,* respecting the recent legislation in regard to the position of British Indians in the Transvaal, and to thank you for your full and interesting report on the subject.

I take this opportunity to express my appreciation of the steps which you took with a view to safeguarding Indian interests during the passage of the Act through the Union Parliament.

I have, &c.,

MILNER.

65120

No. 88.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 14th November, 1919.)

MY DEAR MILNER,

Government House, Pretoria, 17th October, 1919.

I RECEIVED a letter from you dated 30th June.†

I spoke to Sir Thomas Watt, under whose Department the question comes on the matter, and quoted to him the substance of Polak's letter.‡

He said that he had not heard of any new proposals, but he would make inquiry privately and let me know.

I have now received from him a letter containing a report from Mr. Plowman, the Administrator of Natal. I enclose copies of the letter and of the memorandum.

Yours, &c.,

BUXTON.

Enclosure in No. 88.

Union of South Africa,

Office of the Minister of the Interior,

Pretoria, 25th September, 1919.

DEAR LORD BUXTON,

ON the 16th instant you asked me to make inquiry of Mr. Plowman, Administrator of Natal, regarding a communication you had received from the Secretary of State as to the intention of the Provincial Administration to deprive Indians of the municipal franchise. I now enclose copy of letter from Mr. Plowman which sets forth the position. You will see that Mr. Plowman states that the question of the Indian municipal franchise in Natal is not likely to be raised for some time to come. I feel sure from my knowledge of him that he will do all he can to prevent any legislation which is likely to give rise to any complaint on the part of the Indian community.

I am, &c.,

THOMAS WATT.

His Excellency

The Right Honourable Viscount Buxton, G.C.M.G.,

&c., &c., &c.,
Pretoria.

(Confidential.)

Administrator's Office, Natal,

23rd September, 1919.

DEAR SIR THOMAS WATT,

I HAVE received your letter of the 16th instant with reference to the question of the municipal franchise in Natal as affecting the existing rights of the Indian community.

* No. 85.

† 36153: not printed, enclosing copy of No. 77.

‡ No. 77.

It is the case that the Natal Municipal Association prepared a consolidating Ordinance in 1917 which restricted the municipal franchise to persons of European descent (male or female) being British subjects of the age of 21 years and upwards, subject to certain property qualifications, and excluded

"Persons disqualified for the Parliamentary franchise by virtue of Natal Act No. 8 of 1896 or any amendment thereof."

This draft measure was prepared by the Assistant Town Clerk of Durban, and was of a very comprehensive character. It was referred to a special committee nominated by the Provincial Administration, but little progress was made, and more recently it has been broken up into separate sections and has been revised by our Legal Draughtsman.

The first section, which deals only with matters of municipal franchise and the qualification, apportionment, and election of the Town Councillors, was duly presented to this Administration, and in March last the Association were advised that the Provincial Executive had decided that before any further action could be taken the Association should be asked to obtain the views of all local authorities concerned, more especially on the clauses dealing with the franchise. It was pointed out in a subsequent letter that this should be a preliminary to the discussion of the amended draft Ordinance by the Association: that the latter body must accept responsibility for the form in which the Ordinance is submitted, and that it would then be for the Provincial Administration to decide as to the introduction of the measure, with or without amendment.

The Association were also advised that if the franchise clauses as at present drafted were retained and passed by the Provincial Council the Ordinance would most probably be reserved for the Royal Assent, and in this connexion their attention was drawn to the objection taken by the Imperial Government to the consolidating Municipal Bill which was passed by the Natal Parliament in 1905, and to the considerable correspondence which passed between the Secretary, Prime Minister (Natal), and the Municipal Association on the points at issue.

The draft measure, which was introduced into the Natal Provincial Council during the session of 1918, and which was ultimately passed as Ordinance No. 11 of that year, did not in any way deal with the municipal franchise, but was limited to extended powers. The first draft of this Ordinance contained certain provisions of differential legislation, such as the use of tram-cars by Europeans, natives, and Asiatics, the separate use of lavatories, etc., but these were withdrawn on it being pointed out to the Association that they might jeopardize the passing of the measure.

My latest information is to the effect that the Association are inclined to leave the final drafting of the consolidating measure to our Legal Draughtsman (Mr. J. W. F. Bird, ex Attorney-General of Natal), and the actual form of the draft is as yet wholly unsettled.

I quite agree with you that it would be most undesirable to introduce legislation debarring Asiatics from the municipal franchise, having regard to the present state of political feeling in India, and in view of the Government Commission which is about to be appointed to inquire into the question of Asiatic trading. There will be no sitting of the Natal Provincial Council until March of next year, and that will be of very short duration, and will be limited to the necessary financial measures to close up the year and carry on until the new Council is constituted after the next General Election. Lord Buxton may, therefore, rest assured that the question of Indian municipal franchise in Natal is not likely to be raised for some time to come.

The existing borough laws of Natal make no distinctions of race in regard to the qualification of burgesses (Law 19, 1872, section 14). The Local Township Law of 1881, however, makes the township franchise dependent on possession of the parliamentary franchise (11, 1881, sections 4, 7), which by Act 8, 1896, excludes natives of countries which have not hitherto possessed parliamentary franchise.

Yours, &c.,

G. T. PLOWMAN.

The Honourable

Sir Thomas Watt, K.C.M.G.,

Minister of the Interior,

Pretoria.

(D) Commission of Inquiry into Indian Questions.

43841

No. 89.

INDIA OFFICE to COLONIAL OFFICE.

(Received 28th July, 1919.)

[Answered by No. 91.]

(Confidential.)

SIR, India Office, Whitehall, London, S.W.1, 26th July, 1919.

I AM directed by the Secretary of State for India to acknowledge the receipt of Sir H. Lambert's letter, Confidential, dated 18th July,* enclosing copy of a confidential despatch from the Governor-General of South Africa, dated 13th June, 1919, describing the progress of events which led to the passing of the Asiatics (Land and Trading) Amendment Act by the Union Parliament.

2. It is observed that the Acting Prime Minister has promised to appoint during the recess a Commission to consider the whole Indian question in the Union; renewing this promise in the course of his appeal for the excision of the new clause which proposed to empower licensing authorities throughout the Transvaal to refuse fresh licences to Asiatics without reason assigned. Lord Buxton, in summarizing the present situation, expresses his fear that the promised appointment of a Commission, while postponing "the evil day . . . has not . . . removed the prospect of further legislation which is likely to be restrictive rather than remedial in effect."

3. Mr. Secretary Montagu wishes to take this opportunity of expressing his grateful appreciation of Lord Buxton's personal interest in the Indian question, which he feels has largely conduced to a less unsatisfactory result of the recent legislation than might otherwise have been inevitable. After carefully studying His Excellency's very clear *exposé* of the existing position, Mr. Montagu cannot but share his misgivings that the present state of European feeling in South Africa makes an unfavourable atmosphere from the point of view of the Indian community, for the further consideration of the questions in which they are vitally concerned, and he confesses to some anxiety lest the importance which belongs to these questions in their Imperial aspect may be in danger of being overlooked, or not adequately regarded, in the course of the Commission's investigations.

4. Mr. Montagu is aware that much will depend on the *personnel* of the Commission (which he makes no doubt will be either of a judicially impartial composition or representative of both the conflicting interests), but much will also depend on the ability of the leaders of the Indian community to make a proper presentation of their case, and to show a wise discrimination in concentrating on the redress of essential grievances, and refraining from extravagant demands. It unfortunately seems doubtful whether the Indian community could put forward any representatives now in South Africa possessing the requisite qualities.

5. But leaving this consideration aside, Mr. Montagu wishes again to urge that the questions which the Commission will investigate constitute an Imperial and not merely a South African problem. Any agitation among Indians in South Africa is bound to react sympathetically in India itself, where accounts of Indian disabilities are constantly canvassed, and reports of any deterioration in their status are liable to be immediately taken up even in exaggerated and distorted forms. In this connexion, I am to enclose copy of a recent telegraphic correspondence with the Viceroy regarding the effect in India of the recent South African legislation. I am to add that, in Mr. Montagu's opinion, it is an inevitable consequence of the growing recognition of India's place as an equal member of the British Commonwealth that this preoccupation of Indian public opinion with the welfare of Indians, who have emigrated to the Dominions, should have to be reckoned with as a growing rather than a diminishing factor in Imperial politics.

6. These reasons lead Mr. Montagu to suggest that, before any action is taken on Mr. Malan's promise of a Commission, the steps proposed for giving effect to it should be communicated as long as possible in advance to this office in order that an opportunity may be afforded of making any suggestions (if necessary after telegraphic consultation with the Government of India) which may appear to be desirable. In particular, he would be glad of early information as to the terms

* No. 86.

of reference and the composition of the Commission, whether it is to be mainly of a non-partisan type or to consist of representatives in equal proportions of the interests concerned, and whether a chairman with judicial experience is proposed. It is hoped that the Indian community will be allowed to be represented by counsel. I am to suggest that if Viscount Milner sees no objection, a request should be addressed to the Union Government in the sense of this paragraph by telegraph. I am to enclose copy of a telegram which has been received from the Viceroy on the subject.

7. Mr. Montagu is also tentatively considering a suggestion that a representative of the Government of India might (if it were agreeable to the Union Government) be deputed to South Africa in a similar capacity to that filled by Sir B. Robertson in 1914.* He does not, of course, contemplate suggesting that a member should be appointed to the Commission from outside the Union, but that in the event of the Government of India wishing to depute a representative to give official evidence as to the bearing of the issues before the Commission on India (a matter which can hardly be excluded as irrelevant to their consideration), he should have free access to the Commission and be available for consultation in regard to the Indian aspect of the questions referred to them. Such an official witness might also be of assistance in advising the Indian community.

Mr. Montagu would, therefore, be glad of an expression of Viscount Milner's views on the above suggestion, in regard to which the Government of India are being consulted by telegram.

I have, &c.,

A. HIRTZEL.

Enclosure 1 in No. 89.

VICEROY (COMMERCE AND INDUSTRY DEPARTMENT) to INDIA OFFICE.

(Received 21st July, 1919.)

TELEGRAM.

17TH JULY, 1919. 5364. Your telegram of the 4th July. Indians in Transvaal. We understand from Gandhi that further amendment was carried in Assembly prohibiting Indians from holding mortgages on fixed property in Transvaal. This alteration appears to have been outside terms referred to Committee. We should be glad to know whether this amendment was finally embodied in Act in order that we may answer inquiries and allay agitation if Gandhi's information is incorrect. We should also be glad to have a copy of the approval as passed, and connected papers, as soon as possible.

Enclosure 2 in No. 89.

SECRETARY OF STATE to VICEROY (COMMERCE AND INDUSTRY DEPARTMENT).

TELEGRAM.

23RD JULY, 1919. Your telegram, 17th July. Indians in Transvaal. Terms of reference to Committee included alleged evasion of Law III., of 1885, by means of limited liability companies or *otherwise*. Act as passed construes that Law as applying to companies except in respect of property acquired by them before 1st May, 1919, and also to the registration of other than *bona fide* mortgages in favour of Asiatics.

Agitation in India is to be deprecated in view of Malan's announcement of forthcoming Commission on Indian questions. It might react unfavourably on Indian interests by embittering hostile European element.

Please consider desirability of publishing communiqué to counteract misleading and exaggerated accounts of effect of Act. Please see papers forwarded with my Public Secretary's letters of 7th May and 26th June. Full papers sent with my Public despatch No. 93, dated 10th July. Principal object of Act is to secure Indians on the Rand from threatened wholesale evictions to which they were legally liable under Act 35 of 1908. Communiqué might refer to deletion at the instance of South African Government of particularly detrimental clause introduced into Bill by House of Assembly, which gave licensing authorities power to refuse trading licences to Asiatics.

* See No. 467 in African (South) No. 1002.

Enclosure 3 in No. 89.

VICEROY (COMMERCE AND INDUSTRY DEPARTMENT) to INDIA OFFICE.

(Received 2 p.m., 24th July, 1919.)

TELEGRAM.

22ND JULY, 1919. 5475. Correspondence ending with our telegram dated 17th instant. We understand from perusal of South African papers of the end of May that Acting Prime Minister promised appointment of a Commission during recess to inquire into the whole Indian question generally in connexion with clause deleted in Senate. Is this correct? If so, when will Commission sit? We should like to be fully informed by telegraph of all important developments in this matter.

43841

No. 90.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 7.30 p.m., 1st August, 1919.)

TELEGRAM.

[Answered by No. 93.]

(Paraphrase.)

1ST AUGUST. Confidential. Your Confidential despatch of 13th June.* It is suggested by Secretary of State for India that before any action is taken, steps proposed for giving effect to Malan's promise of Commission to consider whole question of position of Indians in Union should be communicated to him as long as possible in advance, in order that he may have an opportunity, after consultation, if necessary, with the Government of India, of making any suggestions which may appear desirable. He would be glad of early information, particularly as to composition of Commission, terms of reference, whether it is to consist of representatives in equal proportions of the interests concerned, or whether it is to be mainly of a non-partisan type, and whether it is proposed to appoint a chairman with judicial experience. Secretary of State for India hopes that counsel will be allowed to represent Indian community.—MILNER.

43841

No. 91.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 96.]

SIR,

Downing Street, 2nd August, 1919.

I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 26th July† on the subject of the proposed Commission to consider the whole position of Indians in the Union of South Africa, and to transmit to you for the information of Mr. Secretary Montagu a copy of a telegram‡ to the Governor-General of the Union, embodying the suggestion contained in paragraph 6 of your letter under reference.

2. Lord Milner concurs in the suggestion, made in paragraph 7 of your letter that a representative of the Government of India should, if it should be agreeable to the Union Government, be deputed to South Africa in connection with the proposed Commission, in a similar capacity to that filled by Sir B. Robertson in 1914, and he will be glad to communicate with the Union Government on the subject as soon as he learns that this is desired.

I am, &c.,

H. J. READ.

* No. 85. † No. 89. ‡ No. 90.

43841

No. 92.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential.)

MY LORD,

Downing Street, 7th August, 1919.

WITH reference to your Excellency's Confidential despatch of the 13th June,* I have the honour to transmit to you, for your personal information, a copy of correspondence† with the India Office relative to the proposed Commission to consider the whole position of Indians in South Africa.

2. In this connexion, I enclose a copy of a question asked in the House of Commons on the subject, together with a copy of the answer returned by the Parliamentary Under Secretary of State for the Colonies.

- I have, etc.,

MILNER.

Enclosure in No. 92.

HOUSE OF COMMONS, 28TH JULY, 1919.—ASIATICS TRADING AND LAND BILL, SOUTH AFRICA.

MR. BENNETT asked the Under-Secretary of State for the Colonies whether he has received information of protests by the Indian community in South Africa against the passing of the Asiatics Trading and Land Bill, and of preparations for a congress of the community, the invitations to which state that they stand on the brink of ruin; whether resistance to the new law has been threatened; whether the Union Government have promised a new commission of inquiry; and whether, in case such an inquiry is held, it will be open to the Government of India to assist the Indians in South Africa in having their interests represented?

Lieutenant-Colonel Amery, in reply, said: I have received the information referred to in the first part of the Honourable Member's question. The Union Government have promised inquiry, and I have no doubt that full opportunity will be given to the Indians to present their case, though I have no information at present as to the details of the arrangements proposed.

46321

No. 93.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.20 a.m., 9th August, 1919.)

TELEGRAM.

[Answered by No. 97.]

(Confidential.)

7TH AUGUST. With reference to your telegram 1st August, Confidential,‡ Indian Commission. Had previously received private telegram from Viceroy, and replied that under consideration and that I would telegraph as soon as decision reached. I am in Northern Rhodesia, and General Botha was at Cape until yesterday, and is now on the way to Pretoria. Have communicated to him contents of your telegram and informed him of that from Viceroy confidentially. I also wrote to him before receiving your telegram.—BUXTON.

* No. 85. † Nos. 89 and 91. ‡ No. 90.

46570

No. 94.

INDIA OFFICE to COLONIAL OFFICE.

(Received 11th August, 1919.)

[Answered by No. 98.]

SIR, India Office, Whitehall, London, S.W.1, 11th August, 1919.

WITH reference to my letter of 26th July, Confidential,* regarding the Commission which it is proposed to appoint to inquire into the Indian question in South Africa, I am directed by Mr. Secretary Montagu to transmit for the very confidential information of Viscount Milner the enclosed copy of a further telegram which has been received from the Viceroy on this subject, and of the reply which he has sent thereto.

2. As regards the second paragraph of the Viceroy's telegram, Mr. Montagu appreciates the reasons which, he presumes, led Lord Milner to refrain from making representations to the Union Government during the progress of the recent Bill, seeing that full reports were received from the Governor-General at each stage that advantage could be taken of General Botha's presence in Europe for consultation with him, and that it was evident that Lord Buxton was already, of his own initiative, exerting his personal influence with better effect than might have been secured by official intervention on behalf of His Majesty's Government.

3. He wishes, however, to urge that the time has now arrived when strong representations ought to be made to the Government of South Africa, pointing out the seriousness with which the present position is regarded by the Government of India, and the dangers which it threatens to Imperial interests. He thinks that Lord Milner will agree that a situation in which the possibility of retaliatory measures between two members of the British Commonwealth has even to be contemplated indicates a regrettable lack of co-ordination in Imperial policy, and that it can only tend to loosen rather than strengthen the principle of cohesion which it is desirable to foster. If no remedy can be found for such a situation, the Government of India may be faced with a demand that will be difficult to ignore for a prohibition of all forms of intercourse. Such a step (though it might have no immediate effect on South Africa) would be a deplorable departure from the principles which should govern the intercourse of the several members of the Empire, and might react on the relations between India and the Mother Country itself.

4. Mr. Montagu would accordingly suggest that the Governor-General should be instructed to impress on the Union Government that the proposed inquiry cannot be regarded as a question of merely South African interest, and that the terms of reference to the Commission, as well as its composition, should be the subject of careful scrutiny. He would be glad to be informed whether it is proposed to include within the scope of the inquiry the suggestions of Lord Sinha's memorandum† discussed at the last Imperial War Conference, regarding which Mr. Burton stated that they now receive the most sympathetic consideration of the South African Government. No inquiry in Mr. Montagu's opinion will be satisfactory which does not include the consideration of existing Indian disabilities and proposals for remedying them. The continuance of Law III. of 1885 appears to him, in particular, to be a matter which places a heavy *onus* of justification on those who may seek to support it.

5. It will be observed that the Government of India will desire to send a deputation to represent their interests in the inquiry, consisting probably of one official and one non-official.

6. With a view to meeting the necessary arrangements, assuming that the Government of the Union will raise no objection to the proposed deputation, I am to ask that Mr. Montagu may receive information of the date when the Commission is to commence its inquiries, as well as the other information requested above, at the earliest possible moment.

I have, &c.,
J. W. HOLDERNESS.

* No. 89.

† See pages 245-248 in [Cd. 9177.]

Enclosure 1 in No. 94.

VICEROY (COMMERCE AND INDUSTRY DEPARTMENT) to THE SECRETARY OF STATE FOR INDIA: EXTRACT.

(Received 9 a.m., 27th July.)

TELEGRAM.

25TH JULY, 1919. 5639. Correspondence ending with our telegram of 22nd instant. Indians in Transvaal. In view of action taken by Union Government we shall have no other course left to us but to consider serious action against South Africans in India. We contemplate as provisional measure instructing local Governments not to issue prospecting licences or mining leases to persons or concerns with South African connections. Such a step would be of considerable political value in India. Please telegraph your approval. We believe two such persons are at present endeavouring to obtain mining concessions in Burma.

2. It appears from answer given by Amery in House of Commons that no representations were made to Union Government regarding Bill. As stated in our telegram of 31st May, we regard re-enactment of Law III. of 1885 in more rigid form as a breach of Burton's undertaking at last Imperial Conference, and wholly endorse Sinha's view that this law is an anachronism and ought to be repealed. We urge strong representation(s) should now be made to Union Government to reconsider the matter, indicating that otherwise no other course except retaliation is left to us. If there is to be a Commission in South Africa to consider whole question we should wish to send a deputation probably of one non-official* and one non-official* from India to represent our interests.

Enclosure 2 in No. 94.

SECRETARY OF STATE to VICEROY (COMMERCE AND INDUSTRY DEPARTMENT).

TELEGRAM.

1ST AUGUST, 1919. Your telegram 25th July, Indians in Transvaal. I will postpone consideration of proposals in first paragraph of your telegram pending a further expression of your views after you have considered my telegrams of 23rd July and 25th July, and received my despatch No. 83, Public, dated 10th July. Lord Milner communicated with General Botha regarding Bill, and full reports were received from Lord Buxton at each stage which showed that he was already of his own initiative exerting his personal influence with better effect than might have been secured by official intervention on behalf of His Majesty's Government.

46321

No. 95.

COLONIAL OFFICE to INDIA OFFICE.

(Confidential.)

SIR, Downing Street, 14th August, 1919.

WITH reference to the letter from this department, of the 2nd of August,† I am directed by Viscount Milner to transmit to you, for the information of Mr. Secretary Montagu, the accompanying copy of a telegram‡ from the Governor-General of the Union of South Africa with regard to the proposed Commission to consider the position of Indians in the Union.

I am, &c.,
HENRY LAMBERT.

* As cyphered.

† No. 91.

‡ No. 93.

48426

No. 96.

INDIA OFFICE to COLONIAL OFFICE.

(Received 20th August, 1919.)

[Answered by Nos. 98 and 100.]

SIR, India Office, Whitehall, London, S.W.1, 20th August, 1919.
I AM directed by Mr. Secretary Montagu, with reference to Sir H. Read's letter of the 2nd instant,* to say that he welcomes Lord Milner's concurrence in the suggestion that a representative of the Government of India should be deputed to South Africa in connexion with the proposed Commission of Inquiry. He has now heard from the Government of India that they are anxious to depute one or more representatives for this purpose, and he will be greatly obliged if the Union Government can be asked to agree to this.

I have, &c.,
M. C. SETON.

46570

No. 97.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 9.45 p.m., 25th August, 1919.)

TELEGRAM.

[Answered by No. 99.]

(Paraphrase.)

SECRET. With reference to your telegram 7th August,† and in continuation of my telegram 1st August,‡ would you please inform your Ministers that it is now learnt that Government of India wish, in connexion with proposed inquiry, to send to South Africa deputation probably consisting of one official and one non-official to represent their interests. It is hoped that your Government will agree to this, and that information of the date when the Commission will commence its inquiries will be forthcoming at the earliest possible moment in order that the necessary arrangements may be made.

Indian Government regard present situation as so serious that they may be faced with a demand for prohibiting intercourse with South Africa if no remedy is found. Secretary of State for India represents that this would be a deplorable departure from principles which should govern the intercourse of several members of the Empire, and might react on relations between India and this country. Secretary of State for India urges that proposed inquiry cannot in these circumstances be regarded as question of merely South African interest, and that composition of, and terms of, reference to Commission should accordingly be given most careful consideration.

He inquires with regard to the terms of reference whether the scope of Commission will include suggestions in Lord Sinha's memorandum,§ which was discussed at the last Imperial War Conference, and in connexion with which Burton states that Union Government would give it the most sympathetic consideration that it could.

As this question is one of the most serious embarrassments of the Indian Government, I know that you will do what you can to induce the Union Government to meet the wishes of the Secretary of State for India.—MILNER.

46570

No. 98.

COLONIAL OFFICE to INDIA OFFICE.

SIR, Downing Street, 26th August, 1919.
I AM directed by Viscount Milner to acknowledge the receipt of your letters of the 11th instant and of the 20th instant|| respecting the proposed Commission

* No. 91. † No. 93. ‡ No. 90. § See pages 245-248 in [Cd. 9177]. || Nos. 94 and 96.

431

of Inquiry into the Indian question in the Union of South Africa, and to transmit to you, for the information of Mr. Secretary Montagu, paraphrase of a telegram* which has been sent to the Governor-General of the Union of South Africa on the subject.

I am, &c.,
HENRY LAMBERT.

54491

No. 99.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.15 a.m., 21st September, 1919.)

TELEGRAM.

[Answered by No. 104.]

19TH SEPTEMBER. Prime Minister informs me that in present circumstances Ministers have decided to defer appointment of Commission till rather later, and there is no prospect of Commission meeting before end of the year. Ample notice will be given.—BUXTON.

54491

No. 100.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 103].

SIR, Downing Street, 23rd September, 1919.
WITH reference to your letter of 20th August,† and connected correspondence, I am directed by Viscount Milner to transmit to you, for the information of Mr. Secretary Montagu, a copy of a telegram‡ from the Governor-General of the Union of South Africa, relative to the proposed appointment of a Commission to inquire into the Indian question in South Africa.

I am, &c.,
HENRY LAMBERT.

54584

No. 101.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 10.30 a.m., 23rd September, 1919.)

TELEGRAM.

[Answered by Nos. 102 and 105.]

(Paraphrase.)

FOLLOWING from Mr. Montagu: *Begins:* In representation of Government of India before the Commission he attaches great importance to association of Indian non-official with Robertson. The matter is really serious, because in present condition feeling in India on domestic issues result of decision on South African question unacceptable to public opinion in India would be used against Indian Government if their case had been left to an official entirely. Sastri knows English thoroughly, has marked ability, and very courteous manners. He is the successor of Gokhale as head of Servants of India Society, and is pledged to continuance of Gokhale tradition. He occupies important position as Moderate Reformer, and is elected member of Indian Legislative Council for Madras. *Ends.*—MILNER.

* No. 97. † No. 96. ‡ No. 99.

55654

No. 102.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.0 p.m., 24th September, 1919.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram, 23rd September,* regarding the Indian Commission, I leave to-morrow for the South-West African Protectorate, and General Smuts is away on tour. When we meet again at Pretoria, towards middle of October, I will discuss matter with him. To attempt to do so by correspondence would be useless.—Buxton.

55943

No. 103.

INDIA OFFICE to COLONIAL OFFICE.

(Received 27th September, 1919.)

[Answered by No. 106.]

India Office, Whitehall, London, S.W.1.

26th September, 1919.

SIR,

I AM directed by the Secretary of State for India to acknowledge the receipt of your letter of 23rd September,† communicating the decision of the South African Government to defer the appointment of a Commission to inquire into the Indian question. The Government of India have been informed that there is no prospect of a Commission meeting this year, and that ample notice will be given.

Mr. Secretary Montagu would be particularly glad to receive as early as possible a general indication of the probable scope of the reference to the Commission, as this may affect the question of the *personnel* and status of the deputation proposed for the representation of Indian interests.

I am, &c.,

J. E. FERARD.

55943

No. 104.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 526.)

MY LORD,

Downing Street, 14th October, 1919.

I HAVE the honour to acknowledge the receipt of Your Excellency's telegram of the 19th of September‡ regarding the Commission of Inquiry into the Indian Question in South Africa, and to state, for the information of your Ministers, that I learn from the Secretary of State for India that the Government of India have been informed that there is no prospect of a Commission meeting this year, and that ample notice will be given.

Mr. Montagu would be glad to receive as early as possible a general indication of the probable scope of the reference to the Commission, as this may affect the question of the *personnel* and status of the deputation proposed for the representation of Indian interests.

I have, &c.,

MILNER.

* No. 101. † No. 100. ‡ No. 99.

61410

No. 105.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.30 a.m., 25th October, 1919.)

TELEGRAM.

[Answered by No. 108.]

(Paraphrase.)

23RD OCTOBER. With reference to your telegram of 23rd September* and previous communications regarding Indian Commission, my Ministers inform me Commission contemplated will deal with question of trading and trading licences generally as affecting Asiatics with a view to securing uniform treatment in the four Provinces and considering issue of such licences. It is not intended that the terms of reference shall cover any other matter or grievance, and in view of this limitation of scope of Commission it does not appear (? one group omitted) (? necessary) to add an Indian to the gentlemen who will represent Indian Government in an advisory capacity (? with) before the Commission.

My Ministers state strongly their intention that the Commission, which will be under the chairmanship of a Judge of Supreme Court, shall commence its labours soon after the commencement of the new year.

Ministers would be glad of early information as to the gentleman selected to represent Indian Government and the approximate date of his arrival in South Africa.

Addressed Secretary of State for the Colonies repeated the Viceroy of India.—Buxton.

61410

No. 106.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 107.]

SIR,

Downing Street, 27th October, 1919.

With reference to your letter of the 26th September,† I am directed by Lord Milner to transmit to you, for the consideration of Mr. Secretary Montagu, a copy of a telegram‡ from the Governor-General of the Union of South Africa on the subject of the Commission to inquire into the Indian Question.

I am, &c.,

HENRY LAMBERT.

64924

No. 107.

INDIA OFFICE to COLONIAL OFFICE.

(Received 13th November, 1919.)

India Office, Whitehall, London, S.W.1.

11th November, 1919.

SIR,

I AM directed by the Secretary of State for India to acknowledge the receipt of Sir H. Lambert's letter of 27th October,§ transmitting copy of a telegram dated 23rd October from the Governor-General of the Union of South Africa regarding the Commission which is to inquire into the Indian question.

Mr. Secretary Montagu notes that the scope of the inquiry is to be limited to the question of trading and trading licences generally as affecting Asiatics with a view to securing uniform treatment in the four Provinces, and considering the issue of such licences. He cannot agree, however, that this limitation materially alters the position as to adding an Indian representative to the deputation which is to represent the Government of India. In his view and in that of the Government

* No. 101. † No. 103. ‡ No. 105. § No. 106.

of India it is a matter of the highest importance to do all that is possible to maintain the rights (at any rate in their existing measure) of Indians in South Africa to hold trading licences subject to the requirements of public health and the eligibility of applicants apart from racial considerations. Any deterioration of their status in this respect would be a serious blow to the economic basis of the life of the Indian community. The interests at stake in the matter of trading licences are clearly apprehended by the general public in India, and though the assimilation of the varied enactments of the different Provinces may be outwardly regarded as a purely South African problem, Mr. Montagu feels it essential, in view of the deeper issues involved, that the public in India should have no cause for feeling that the opportunity of defending the interests of Indians in South Africa has been in any way restricted. In the circumstances a deputation which did not include a non-official Indian would not command this necessary confidence. Such a representative would be appointed by the Government of India, and would act in harmony with his official colleague. Mr. Montagu cannot conceive that the South African Government, having already accepted the principle of a deputation, would be in any way embarrassed by the inclusion of an Indian representative, while such inclusion should tend to reconcile South African Indians to the conclusions of the Commission. He would therefore strongly urge for Viscount Milner's consideration that the point of view of the Government of India, with the reasons for it indicated above, should again be represented to the Government of the Union. In this connexion extract from a recent telegraphic correspondence with the Viceroy is enclosed.

Subject to the inclusion of an Indian representative, Mr. Montagu is prepared to accept the suggestion at the end of the first paragraph of Lord Buxton's telegram that the deputation from India should assist the Commission in an advisory capacity. He observes that the Commission is expected to commence its sittings under the chairmanship of a Judge of the Supreme Court soon after the New Year. He would be glad to have previous notice of the proposed detailed terms of reference and to be informed whether it is contemplated that the Indian community should be represented by Counsel.

I am, &c.,
J. W. HOLDERNESS.

Enclosure 1 in No. 107.

VICEROY, COMMERCE AND INDUSTRY DEPARTMENT, to SECRETARY OF STATE.

TELEGRAM.

26TH SEPTEMBER. Gandhi writes in "Young India" an article dealing with my speech at opening of Council. *Begins*: His Excellency's pronouncement on South African question is satisfactory so far as it goes. Sir B. Robertson, who is already personally known to General Smuts, can in many respects, by his tact and diplomacy, smooth the way for a just and honourable settlement. I take it that whilst Sir B. Robertson will go as a representative of the Government of India to put their case before the South African Government and generally to assist the Commission, Mr. Montagu's announcement that two representatives on behalf of the Indian interest will be appointed on Commission stands intact, and that we shall soon have the names of proper representatives announced. *Ends*. Gandhi is pressing me to say whether his interpretation of the situation is correct. What answer may I give?

Enclosure 2 in No. 107.

TELEGRAM to VICEROY (COMMERCE AND INDUSTRY DEPARTMENT).

15TH OCTOBER. I suggest that you should make announcement on following lines (R) Union Government have decided to postpone appointment of Commission for the present. It has been mistakenly inferred from a passage in the Secretary of State's recent speech that a request has been made that representatives of India should sit as members of the Commission. No such request has been made to the Union Government, but that Government has been asked to agree to the presence of two representatives (probably one official and one non-official) to be deputed by Government of India to assist the Commission in the inquiry to give information

and represent the feelings and views of the Government of India and Indian public and to press for a sympathetic consideration of the Indian case.

Question of status to be proposed for such representatives and of the composition of the Commission may depend to some extent on the scope of the inquiry as to which information has not yet been received. It is hoped that the Union Government will in any event agree to the inclusion of an Indian non-official in the deputation from India, as Government of India and Secretary of State are agreed as to the great importance of associating an Indian with Sir B. Robertson. End of (R).

64924

No. 108.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.45 p.m., 15th November, 1919.)

TELEGRAM.

[Answered by No. 109.]

(Paraphrase.)

With reference to your telegram of the 23rd of October* regarding the Indian Commission.

The Secretary of State for India would be glad to know whether it is contemplated that the Indian community should be represented by counsel, and would like to have previous notice of the proposed detailed terms of reference. He notes the limitation of the scope of the inquiry, but even so cannot agree that the position as regards adding an Indian to the deputation by which the Government of India is to be represented is materially altered thereby. He shares the view of the Government of India that it is a matter of the highest importance to do everything possible to maintain the rights, at any rate, as at present existing, of Indians resident in South Africa to hold trading licences subject to the eligibility of applicants apart from racial considerations and to the requirements of public health.

He urges that the general public in India clearly apprehend the interests at stake in the matter of trading licences, and that any deterioration of South African Indians' status in this respect would be a severe blow to the economic basis of the life of their community, and he feels it essential, although the assimilation of the various Provincial enactments may be regarded superficially as a purely South African problem, that in view of the deeper issues involved the public in India should have no cause for feeling that any restriction has been placed on an opportunity of defending the interests of Indians in South Africa. In these circumstances a deputation which did not include an unofficial Indian member would not command the necessary confidence. Such a representative would act in harmony with his official colleague, and would be appointed by the Indian Government. He does not see how the Union Government, which has already accepted the principle of this deputation, could be in any way embarrassed by an Indian representative being included in it. On the other hand, such inclusion would tend to reconcile South African Indians to the conclusions of the Commission.

I hope that your Ministers on further consideration will see their way to meeting the Indian Government's wishes in this matter.

The Secretary of State for India agrees to the deputation from India assisting the Commission in an advisory capacity if an Indian representative is included in it.—MILNER.

* No. 105.

66914

No. 109.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.40 a.m., 22nd November, 1919.)

TELEGRAM.

(Paraphrase.)

21ST NOVEMBER. Your telegram of 15th November,* Indian Commission. Upon the very strong opinion expressed by the Secretary of State for India in favour of inclusion of a non-official Indian on Sir Benjamin Robertson's delegation, Ministers are prepared to waive their objection to that course. They would prefer that the Indian if possible should be a member of Sir Robertson's staff, rather than a co-representative of India, but if that course is not possible from point of view of Indian Government Ministers would acquiesce so long as Sir B. Robertson is chairman or senior representative of delegation. Both by whites and Indians Ministers have been pressed very strongly to widen the scope of the Commission beyond trading question. They have decided, therefore, that the Commission shall inquire and report on the further question holding of land by Asiatics in the several Provinces of the Union of South Africa. Ministers are prepared to meet the views of Indian Government as regards the composition of the delegation, but they cannot impress too strongly both on British and Indian Governments how deep feeling is among whites in regard to menace of Asiatics trading in South Africa. The attitude of Ministers is dictated solely by desire to find a reasonable solution of a situation which is undoubtedly grave, and which may easily get completely out of hand. Addressed Secretary of State for Colonies, repeated Viceroy of India.—BUXTON.

66980

No. 110.

INDIA OFFICE to COLONIAL OFFICE.

(Received 24th November, 1919.)

[Answered by No. 111.]

SIR, India Office, Whitehall, London, S.W.1, 22nd November, 1919.

I AM directed by the Secretary of State for India to invite a reference to the report which appeared in the "Cape Times," of 17th September last, of a question addressed by Mr. P. W. Le R. Van Niekerk to the Prime Minister of the Union of South Africa regarding the discussion of the Asiatic question in the Union at the Imperial Conference of 1918. It is observed that General Smuts is reported to have returned a negative reply to the question whether the representatives of the Union gave any undertaking on behalf of the Union Government.

It will be remembered that the Conference adopted a resolution† which, besides dealing with immigration reciprocity, recommended to the various Governments concerned the other questions, covered by memoranda presented in that and the preceding year, with a view to their early consideration. Paragraph 4 of the memorandum presented by Lord Sinha in 1918,‡ dealt in considerable detail with some of the principal grievances of Indians in South Africa. In speaking on the resolution Mr. Burton used the following language:—"As far as we are concerned in South Africa, we are in agreement with this resolution, and also with the proposal referring the memorandum to the consideration of our Government, and we will give it the most sympathetic consideration that we can, certainly."

In his despatch of 28th August, 1918,§ Mr. Long forwarded the resolution and memorandum to the South African Government and suggested that His Majesty's Government should receive any observations that South African Ministers might wish to offer on the outstanding points.

In his Confidential despatch of 8th January, 1919,|| Lord Buxton, while furnishing a valuable statement of his own views on the various questions involved,

* No. 108.

† See page 5.

‡ See pages 245-248 of [Cd. 9177].

§ No. 8.

|| No. 37.

remarked that he had not yet received the views of the Union Government, and would take an early opportunity of mentioning the matter.

Mr. Secretary Montagu trusts that it is not to be inferred from General Smuts's reported reply, that Mr. Burton's promise in regard to the memorandum has been overlooked, or that the need for consideration of these questions by the Union Government is regarded as having lapsed in view of the forthcoming appointment of a Commission to investigate the question of trading licences.

I have, &c.,

J. W. HOLDERNESS.

Enclosure in No. 110.

EXTRACT FROM "CAPE TIMES," 17TH SEPTEMBER, 1919.

The Asiatic Question.

MR. P. W. LE R. VAN NIEKERK asked the Prime Minister whether the Imperial Conference of 1918 discussed the Asiatic question in the Union; did the representatives of the Union, on behalf of the Union Government, then give any undertaking in that respect; if so, what was the undertaking; is the Government prepared to lay the correspondence between the Union Government and the British Government with regard to that matter upon the Table of the House; and will the Commission to inquire into this question be a Union or an Imperial Commission?

GENERAL SMUTS replied: Yes, by means of a memorandum drafted by Lord Sinha. No, but a resolution was unanimously adopted by the Imperial Conference which is merely a restatement of the policy embodied in the Immigrants' Regulation (Restriction) Act, 1913, and the Indians Relief Act No. 22, of 1914. There has not been any correspondence on the matter which can be laid on the Table of the House. The Government has no intention to appoint a Commission to inquire into the whole Asiatic question. Presumably the honourable member is referring to the Commission to be appointed to inquire into the question of the issue of trading licences to Indians, and, if so, the honourable member is referred to the answer to question 16.

66980

No. 111.

COLONIAL OFFICE to INDIA OFFICE.

SIR,

Downing Street, 12th December, 1919.

I AM directed to acknowledge the receipt of your letter of the 22nd November,* relative to the report which appeared in the *Cape Times* of the 17th September last, of the reply returned by the Prime Minister of the Union of South Africa to a question addressed to him by Mr. P. W. le R. Van Niekerk regarding the discussion of the Asiatic question in the Union at the Imperial Conference of 1918.

2. It does not seem probable that General Smuts's reply was intended to convey the impression indicated in the last paragraph of your letter under acknowledgment. The Secretary of State for India is now aware that the scope of the Commission of Inquiry has been enlarged so as to include not only the question of trading licences but also that of the holding of land. Pending the deliberations of the Commission it is not thought that there would be any advantage in approaching the Union Government in regard to the other matters discussed in Lord Sinha's memorandum,† but it will, of course, be open to Sir B. Robertson to confer with the Union Government during his stay in South Africa.

I am, &c.,

HENRY LAMBERT.

* No. 110.

† Printed on pages 245-248 of [Cd. 9177].

(E) Admission of Wives and Children of resident Indians who have divorced their previous Wives.

18787/18

No. 112.

UNION OF SOUTH AFRICA.

NANDKOR VERSUS THE PRINCIPAL IMMIGRATION OFFICER.

DECISION OF THE SUPREME COURT OF SOUTH AFRICA.

1917. 2ND-10TH JULY. JUTA, J.P., AND SEARLE, J.

Immigration.—Admission of Indian wife.—Divorced wife's children in Union.—Act 22 of 1913, section 5 (g).—Act 22 of 1914, section 3 (2) (b).

Applicant having been married to, and subsequently divorced from, B in India according to an Indian religion, similarly married C. He subsequently returned to the Union with C, at which time there were in the Union children of the marriage of applicant and B, who was still alive in India. Held, that regard being had to the provisions of section 5 (g) of Act 22 of 1913, and section 3 (2) (b) of Act 22 of 1914, C was a prohibited immigrant.

ARGUMENT on a point of law reserved by the Immigration Appeal Board.

The question of law reserved was as follows:

1. Assuming that A, an exempted person, was married to B in India under the tenets of an Indian religion.
2. That B was divorced from A under the tenets of an Indian religion.
3. That a marriage was thereafter contracted between A and C in India under the tenets of an Indian religion.
4. That A with C, his present wife under the tenets of an Indian religion, thereafter returned to the Union.
5. That there was at the time of the return of A with his wife C to the Union offspring of the marriage of A and B then residing in the Union, B being still alive in India.
6. Assuming that at no time, either before or during her marriage with A, or after their divorce, has B resided within the Union.

Should C, having regard to section 5, subsection (g), of Act 22 of 1913, and to paragraph (b) of subsection 2 of section 3 of Act 22 of 1914, be taken to be a prohibited immigrant?

M. Alexander, for the appellant: The words "Any other woman who is still living" mean in section 3 (2) (b) of Act 22 of 1914, any other woman who is still living and is still his wife; *In re Kulsam Bibi* (1913, N.L.R. 437).

B. Upington, K.C., for respondent: The object of the Act is to restrict Indian immigration. As to the meaning of "wife" under the Act of 1906: see *Esop v. Union Government (Minister of the Interior)* (1913, C.P.D. 133). The Act of 1914 recognizes for the first time, with certain safeguards, a polygamous wife. If an Indian has children in the Union by a wife who is still living, he cannot bring in another woman as his wife, even though he has divorced the first wife.

Alexander, in reply.

Cur. adv. vult.

Postea, on 10th July.

JUTA, J.P.: Our opinion on the point submitted by the Immigration Board depends upon the construction of subsection 2 (b) of section 3 of the Indians' Relief Act, No. 22 of 1914. The plain grammatical meaning of this subsection is clear, but it is contended that it means one of two constructions other than its plain grammatical meaning.

By section 5, subsection (g), of the Immigrants' Regulation Act, No. 22, of 1913, the wife or child under 16 years of an exempted person "including the wife or child of a lawful and monogamous marriage duly celebrated according to the rights of any religious faith outside the Union," was not a prohibited immigrant. It is said that owing to a legal decision that a marriage between Indians according to the tenets of their religion was not such a monogamous one, and for other reasons Act 22 of 1914, which purports to be for the redress of certain grievances and the removal of certain disabilities of His Majesty's Indian subjects, was passed. By the third section the words contained in the said paragraph 5, subsection (g), beginning "including the wife" as above mentioned are deleted, and it is provided that in the interpretation of that paragraph 5, subsection (g), the words "wife" and "child under the age of 16" shall include certain meanings. "Wife" includes any one woman between whom and the said exempted person there exists a union recognized as a marriage under the tenets of an Indian religion, notwithstanding that "the union of the exempted person with other women at the same time would by those tenets also be recognized as a marriage"—I am quoting the section subject to certain provisos. So far there is no difficulty. If the exempted person has several wives in India to whom he is married according to the rites of an Indian religion, any one of such wives may enter the Union, not being prohibited. Then come the provisos: provided that no woman shall be deemed to be a wife of such exempted person,

(a) if such a union exists between him and any other woman who resides in any Province. This is clear: no matter how many of such wives the exempted person may have outside the Union one may enter the Union, but if he has in any Province a wife married according to his religion, no other wife can enter the Union.

Then comes the second proviso; (b) or "if such exempted person has in any Province offspring by any other woman who is still living." It is contended by Mr. Alexander that these words are capable of two constructions, under either of which the wife C of the special case would not be a prohibited immigrant, viz., they mean any other woman between whom and the exempted person a marriage recognized as such by their Indian religion exists, although such wife

is outside the Union; or it means any other woman who is still living and who resides in any Province. But Mr. Alexander contends that the simple plain meaning of the words is not that intended by the Legislature.

But if the Legislature had meant what is contended why could it not have said so? There is no difficulty in either of the cases contended for in expressing the intention in plain intelligible words. Thus in the first case put, all that was required was to add the words, "and between whom and such exempted person such a union exists"—repealing the words in subsection (a). The proviso would then read: "or if such exempted person has in any Province offspring by any other woman who is still living and between whom and such exempted person such a union exists."

In the second case put, all that was required was to add: "in any Province," and the proviso would read, "if such exempted person has in any Province offspring by any other woman who is still living in any Province." Simplicity itself. But, says Mr. Alexander, if you read the proviso in its plain meaning you are not carrying out the policy of the Legislature, and if you recognize such a union as "existing," then if a divorce has taken place under such Indian religion, no such union exists, because it is no longer recognized as a marriage under the tenets of such Indian religion. That is, if the Legislature recognizes such a union as existing then it must recognize the divorce of such union which has caused such union to cease to exist.

It is not for this Court to speculate upon what was the policy of the Legislature; we must construe the section according to its meaning and in consideration with the legislation as expressed in Act 22 of 1913 which it amended, and where the Legislature has used plain terms it would require to me strong reasons to induce the Court to select one of two other meanings not expressed in words, but which could have been quite simply so expressed.

I am by no means satisfied that the Legislature in recognizing such a union also recognized the divorce of such a union under the tenets of the religion. That opinion arises from the definition in this section 3 of Act 22 of 1914 of "child under the age of sixteen." It is defined to mean the offspring of the exempted person and the wife as defined in the section; or a child of the exempted person and a deceased woman who if alive could have been recognized as the wife or whose union could have been registered under the Act. Now the children in the Province are the children of the exempted person and a woman still alive, whom he married in India according to his religion, who has always lived there, and whom he has divorced. Such if they were not already in the Province could not enter because their mother is not dead. This definition recognizes the children of a deceased wife, not those of a woman still living, and divorced. I am of opinion therefore that we must read the proviso in question according to its plain meaning and that being so the answer to the question of law reserved by the Immigration Board must be in the affirmative, viz., C must be taken to be a prohibited immigrant.

The costs must be paid by Nandkor.

SEARLE, J.: Prior to the passing of Act 22 of 1913 no one could be admitted as the "wife" of an immigrant, where the so-called "marriage" was according to the tenets of a religion that allowed more "wives" than one; hence so-called Indian "wives" were excluded: see *Esop's* case (1913, C.P.D. 133), which was decided under the Cape Act 30 of 1906, and *R. v. Sukina* (1912, T.S. 1,079) decided under Transvaal Act 15 of 1907. This being the state of the law, Act 22 of 1913 was passed, and section 5 (g) provided that the wife, or child under the age of sixteen years of an exempted or non-prohibited immigrant, might be admitted (unless there were certain specific personal bars or disqualifications), and that the words "wife" and "child" should include "the wife or child of a lawful and monogamous marriage duly celebrated according to the rites of any religious faith outside the Union." Under this Act, however, it was held that a "wife" according to a Mohammedan "marriage" could not be admitted because such marriage was "polygamous," inasmuch as polygamy was recognized by the Mohammedan religion, even though in the particular case the exempted person seeking to introduce such wife had actually only one wife; *In re Kulsam Bibi* (1913, N.L.R. 437). Thereafter Act 22 of 1914, the Indians' Relief Act, one object of which was to give a qualified recognition to these Indian "marriages," was passed—and section 5 (g) of Act 22 of 1913 was amended by deleting the words "including the wife or child of a lawful and monogamous marriage . . . outside the Union," and definitions of "wife" and of "child under sixteen years" were given. "Wife" was hereafter to include any one woman between whom and the exempted person there existed a union recognized as a marriage under the tenets of an Indian religion, notwithstanding that by those tenets the union of the exempted person with other women at the same time would also be recognized as a marriage, but then there followed two provisos (a) and (b), and if the circumstances mentioned in either (a) or (b) obtained with regard to the exempted person, the person for whom he claimed admission as his wife was not to be deemed to be his wife and was not to be admitted as an immigrant. The first proviso is, if there is any other woman residing in any Province (of the Union) between whom and the exempted person a similar union (such as an "Indian marriage") exists. From this it will be seen that it is no bar to the admission of a wife by an Indian marriage that there is another such Indian wife outside the Union. The second proviso is that the exempted person shall not have in any Province (of the Union) offspring by any other woman still living.

It is this second proviso that the Court has now to construe; for it is alleged here that the exempted person has children in the Union by an "Indian wife" whom he has divorced in India according to the tenets of an Indian religion with regard to divorce. She is not in the Union now, and indeed has never been in it. It is clear that if the words of the second proviso are read literally and plainly as they stand they do apply to the case in question because the children of the woman now divorced do live here, and she is alive, but we are asked to construe the words in some other way, either to explain them as meaning that the woman who is still living and whose offspring are in the Union, must herself be living within the Union; or that she must be a person with whom the exempted person is still cohabiting, as his so-called "wife." I do not think that we can accept either of these contentions. I see no reason why the clause (b) should have been drafted as it has been if either of the suggested meanings was

intended; each could easily have been dealt with in perfectly clear language. On the other hand the contention put forward by the Immigration Officer is exactly supported by the words used. In these circumstances the Court is not entitled to speculate upon what may or may not have been the intentions of the Legislature, especially as there is so little to go upon. It may not appear clear upon what principle the proviso is founded, but broadly speaking if any suggestion can be made, the object seems to be to prevent a man who had already brought in children by one Indian marriage or had begotten such children in the Union, from bringing in a "wife" by another such "marriage," whilst the first so-called "wife" was alive. The object is therefore to prevent as far as possible two families, the product of these Indian marriages, from being introduced into the Union. If, however, the first "wife" had died, although there are children of the "marriage" in the Union, then a second wife may be admitted and there appears to be reason in this privilege. It is quite true that the words of the proviso may be construed as going even further in the direction of exclusion, e.g., where there may be children of a wholly "promiscuous union" already in this country. No doubt apparent hardship may result—as, in the present case, where the first wife is in India and has been divorced. A still greater hardship may perhaps result if an Indian registers his marriage in the Union under section 1 of the Act under consideration, gets a divorce from his wife from this Court on ordinary legal grounds and then seeks to bring in another during the lifetime of the divorced woman, but that case need not be decided now.

The point to bear in mind is that the relief purported to be given is admittedly only a qualified one, and there is nothing in the Act to lead the Court to the opinion that it was intended to introduce the Indian law of divorce into the question or whether an Indian "wife" (i.e., a wife by an Indian marriage) should be treated as a prohibited immigrant or not; it might be a difficult and onerous task for the Immigration Officer to settle as to whether the divorce proceedings were in order; the divorce according to Indian rights does not appear to be granted by any Court of Law but by a priest—and questions of great complexity may arise, in deciding whether what was done in India was validly done according to the customs existing there; it may be a very easy matter to get such a divorce, and the Immigration Laws may not have been intended to give privileges in such a matter.

The question must be answered in accordance with the contention of the Immigration Officer.
Appellant's Attorneys: Menzies & Birse; Respondent's Attorneys: Reid & Nephew.

28875

No. 113.

INDIA OFFICE to COLONIAL OFFICE.

(Received 14th June, 1918.)

[Answered by No. 114.]

SIR,

India Office, Whitehall, London, S.W.1, 13th June, 1918.

WITH reference to your memorandum,* dated 3rd May, communicating a copy of the decision† of the Supreme Court of South Africa in the case of *Nandkor versus the Principal Immigration Officer*, I am directed by the Secretary of State for India to invite a reference to Mr. Lambert's letter‡ dated the 5th June, 1914, and with reference to paragraph 8 of the despatch§ from the Governor-General of the Union of South Africa, copy of which was enclosed in that letter, to inquire whether, in the opinion of Mr. Long, it would be practicable to obtain the amendment of subsection 2 (b), section 3, of Act 22 of 1914, in order to prevent the occurrence of similar hard cases in future.

I have, &c.,
T. W. HOLDERNESS

28875

No. 114.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 117.]

SIR,

Downing Street, 25th July, 1918.

I AM directed by Mr. Secretary Long to acknowledge the receipt of your letter of the 13th ultimo|| regarding the decision of the Supreme Court of South Africa in the case *Nandkor v. Principal Immigration Officer*, and to request you to inform the Secretary of State for India that he is very unwilling to take up with the Union Government the question of the amendment of section 3 (2) (b) of the Union Act 22 of 1914 without further evidence that the matter is one involving real hardship, and to which importance is attached by the Indian community in South Africa. In this connexion I am to observe that no representations founded on the judgment in question have been received, though a year has now elapsed since it was delivered.

I am, &c.,
HENRY LAMBERT.

58850

No. 115.

INDIA OFFICE to COLONIAL OFFICE.

(Received 6th December, 1918.)

[Answered by No. 116.]

India Office, Whitehall.

SIR,

London, S.W.1, 5th December, 1918.

WITH reference to your memorandum of the 14th October,* I am directed by the Secretary of State for India to return with thanks the South African Law Reports sent therewith.

While it seems clear that no exception can be taken from a legal point of view to the judgments in the *Fatima* case and the *Magda* case, Mr. Secretary Montagu thinks that Mr. Secretary Long will agree that these two cases present features of exceptional hardship. In view of the friendly discussions that took place at the recent Imperial War Conference regarding the administration of the South African laws affecting Indians, and the promise then made of consideration, Mr. Montagu would be obliged if Mr. Long thought it possible to suggest to the Union Government that in these cases the application of the law has borne very hardly upon young Indians.

I have, &c.,
M. C. SETON.

58850

No. 116.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 117.]

SIR,

Downing Street, 28th December, 1918.

I AM directed by Mr. Secretary Long to acknowledge the receipt of your letter of the 5th instant† relative to the judgments of the Transvaal Provincial Division of the Supreme Court of South Africa in the cases of the Indians *Fatima* and *Magda*, and to request you to inform Mr. Secretary Montagu that, as the judgments in these two cases were delivered over a year ago and no representations with regard to them appear to have been made by the Indian community, he does not feel that he would have sufficient grounds for approaching the Government of the Union of South Africa in the sense suggested.

I am, &c.,
HENRY LAMBERT.

11102

No. 117.

INDIA OFFICE to COLONIAL OFFICE.

(Received 20th February, 1919.)

[Answered by No. 118.]

India Office,

SIR,

Whitehall, London, S.W., 19th February, 1919.

I AM directed by the Secretary of State for India to invite a reference to the correspondence ending with Sir H. Lambert's letter, dated the 25th July last,‡ on the subject of the amendment of section 3 (2) (6) of the Union (of South Africa) Act 22 of 1914, and to forward, for the consideration of Viscount Milner, a copy of a letter No. 23, dated the 22nd November, from the Government of India, to whom the correspondence and the judgment of the Supreme Court to which it related was forwarded for consideration. Mr. Montagu trusts that, in view of

the considerations advanced by the Government of India, and of the attitude adopted by the Imperial War Conference towards the removal of Indian disabilities, Lord Milner will now see his way to addressing the Union Government on this matter.

2. In this connexion I am to refer to Sir H. Lambert's letter, dated the 28th December,* and to explain that it was not Mr. Montagu's intention to suggest that the cases referred to in that letter, and in letter dated the 5th December† from this Office should be reopened. His hope was that the Secretary of State for the Colonies might invite the attention of the Union Government to the hardships which—as those two cases exemplify—are capable of arising out of the existing law, with a view to possible modification of the law. It will be observed that the case of Fatima, reported from the Transvaal Provincial Division, has features in common with that of Nandkor. In both cases the decision turned on the interpretation of section 5 (8) of Act 22 of 1913, and section 3 (2) of Act 22 of 1914, and in both cases the divorced wife, whose existence affected the issue, had been living not in South Africa but in India, while in Fatima's case the divorced wife was no longer living when the cause of action arose. In both cases the decision involved what appears to Mr. Montagu to be undeniable hardship to the husband and to members of his family, which might have been avoided without violation of the principle underlying the provisions in question.

3. I am, therefore, to express a hope that the Secretary of State for the Colonies will reconsider his opinion, and will recommend to the Union Government an amendment of the law which will enable an exempted person who has divorced a wife and remarried, in accordance with the tenets of his religion, to introduce, subject to such safeguards as may be considered reasonable and necessary, into his home in the Union, or to retain there the successor to his divorced wife and any children legitimately born to him by the divorced wife, even though he may have children by the later wife.

I have, &c.,
J. E. FERARD.

Enclosure in No. 117.

No. 23 of 1918.—GOVERNMENT OF INDIA.—DEPARTMENT OF COMMERCE
AND INDUSTRY.

SIR, Delhi, the 22nd November, 1918.
We have the honour to acknowledge the receipt of your despatch No. 65 (Public), dated the 23rd August, 1918, and enclosure, on the subject of the admission to South Africa of the wives of resident Indians.

2. The correspondence relates to the case of an Indian, who, having divorced his wife in accordance with the tenets of an Indian religion and married again in accordance with the same tenets, sought admission to the Union for the second wife under the terms of section 5 (7) of the Immigrants Regulation Act, 22 of 1913. On the ground that the husband has children in the Union by the divorced wife who is still living, the Supreme Court of South Africa has held that the woman in question is not his wife in the sense of this section as read with section 3 (2) (b) of the Indians Relief Act, 22 of 1914, and is, therefore, a prohibited immigrant.

3. We have no desire to challenge the correctness of the Court's decision, or to question the ruling that, according to the strict letter of the law, as it stands, the woman is not entitled to admission. It seems to us, however, that it is the wording of section 3 (2) (b) of the Relief Act which is at fault, and that it was not the intention of the legislature to exclude the lawfully married second wife of an Indian who had divorced his first wife. Having regard to the circumstances in which the Relief Act was passed, we believe that we are justified in holding that it was designed to make all such concessions to Indian residents as could be claimed consistently with the acceptance of monogamy as a principle, and we fail to see how the marriage of a second wife after the divorce of the first is more repugnant to the principle of monogamy in the case of an Indian than in the case of a European. The legislation of 1913 and 1914 could not, in the nature of things, be expected to cover every possible case of hardship, and it seems to us apparent that there is an important *casus omissus* in the law as it stands. The effect of this omission is that, whereas the European resident may introduce his second wife

* No. 116. † No. 115.

after having divorced the first, and introduce also his legitimate minor children, whether by a divorced wife or not, even though he may have other children already in the country who may or may not be the offspring of a wholly promiscuous union, the Indian resident is precluded from claiming a similar privilege. We are strongly of opinion that this inequality should be removed. We do not agree with the Colonial Office that the fact that no representations founded on the judgment of the Supreme Court have yet been received is a sufficient reason for refraining from making an attempt, as suggested in Sir Thomas Holderness's letter of the 13th June, to obtain an amendment of section 3 of Act 22 of 1914 in order to prevent the occurrence of similar hard cases in future.

We have, &c.,
CHELMSFORD,
C. H. A. HILL.
C. SANKARAN NAIR.
G. R. LOWNDES.
G. S. BARNES.
W. H. VINCENT.
J. S. MESTON.

The Right Honourable Edwin Montagu,
His Majesty's Secretary of State for India.

11102

No. 118.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 119.]

SIR, Downing Street, 1st May, 1919.

I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 19th of February * regarding the admission to the Union of South Africa of the wives and children of resident Indians who have divorced their previous wives in accordance with the tenets of Indian religion.

2. Lord Milner doubts whether it would be politic to press the Union Government so soon for an amendment of the settlement of the general question of the admission of wives and children of Indians into South Africa embodied in the Indians Relief Act, 1914; and the difficulty which he feels in this respect is not removed by the sympathetic attitude of the Imperial War Conference, 1918, in the matter of Indian disabilities. The object of paragraph 3 of the resolution† of the Conference was to settle the grievances of Canadian Indians on the lines already adopted in South Africa. This is clear from the India Office memorandum‡ laid before the Conference, in which it was urged, in connexion with the difficulties in Canada, that: "This unfair and unnatural position is the more galling because the Indians resident in South Africa have, since the passing of the Indians Relief Act, 1914, the privilege of introducing into the Colony one wife as well as her minor children." It is important also to remember that Mr. Burton said at the Conference: "Paragraph No. 3 (of the resolution) embodies, as a matter of fact, the present law of the Union. That is our position there, so that our agreement as to that is no concession." Mr. Burton thus accepted paragraph 3 of the resolution on the understanding that nothing further was involved in it than had already been provided for by the Union legislation.

3. As regards section 3 (2) (b) of the Indians Relief Act, the wording of which the Indian Government now call in question, it would hardly appear to be correct to hold that it was not the intention at the time to exclude the lawfully married second wife of an Indian who had divorced his first wife. As originally drafted this part of the Bill continued, after the words "by any other woman who is still living," with the words, "and between whom and such exempted person such a union exists or has existed." It will be seen from the correspondence enclosed in the letter from this Department of the 5th of June, 1914,§ that the Governor-General had some doubts as to this part of the Bill, and Mr. Stanley, the Governor-General's Private Secretary, particularly called the attention of the

* No. 117. † See page 5. ‡ Pages 245-248 of [Cd. 9177]. § No. 144 in African (South) No. 1012

Secretary for the Interior to hard cases which were likely to arise under it. Mr. Stanley's criticisms were mainly directed against the words "or has existed," which were finally omitted, and he argued that, if these words were omitted, nothing would be added by section 3 (2) (b) to section 3 (2) (a), and the whole proviso (b) might therefore be dropped. This argument was clearly wrong, but it is evident from the correspondence that the wording of the whole section must have received very careful consideration by the Union Government at the time. Moreover, when the draft of the Bill was settled, Mr. Gandhi does not appear to have taken any exception to the proviso (see the Governor-General's despatch* enclosed in the letter from this Department of the 25th of June, 1914), and the words at the end of the definition of a child under 16, which caused difficulty in the case of the girl Fatima, were in fact introduced to meet a point which Mr. Gandhi himself raised, and it is presumed, therefore, that he scrutinized them very carefully. In these circumstances it seems difficult to suppose that the wording of the Act did not carry out the common understanding.

4. Lord Milner agrees, however, that the cases in question do disclose a certain amount of hardship, which might perhaps be removed without materially increasing the total number of Indians in South Africa or encouraging polygamy, and with a view to the matter being referred to the Union Government he would suggest that a memorandum might be prepared on the subject in the India Office, which he could forward to the Union Government with an expression of hope that if now, or at any subsequent time, they are considering amendments to the law in question they will take into consideration the question whether it would be possible to meet such cases of hardship.

I am, &c.,

G. GRINDLE.

34111

No. 119.

INDIA OFFICE to COLONIAL OFFICE.

(Received 7th June, 1919.)

SIR,

India Office, Whitehall, London, S.W.1, 6th June, 1919.

I AM directed by the Secretary of State for India in Council to acknowledge the receipt of Mr. Grindle's letter of the 1st May, 1919,† regarding the admission to the Union of South Africa of the wives and children of resident Indians who have divorced their previous wives.

In reply I am to state that Mr. Montagu welcomes Viscount Milner's decision to refer the matter to the Union Government for consideration in view of the hardship which has been disclosed as affecting a certain number of Indian residents and of the fact that the matter would appear to be easily capable of remedy without danger to the principle of monogamy. He accepts the suggestion that the point of view of the Government of India should be stated in a memorandum which can be forwarded to the South African Government. I am to enclose a memorandum which has been prepared in this office for the purpose, and to request that it may be transmitted if Viscount Milner sees no objection to the terms in which it has been drafted.

I have, etc.,

P. H. DUMBELL.

Enclosure in No. 119.

MEMORANDUM.

ATTENTION has been called to certain apparent defects in the definition of "wife" and "child" contained in the Indians Relief Act, Section 3 (2), the effect of which, as declared in two recent judgments of the Supreme Court, is to exclude from the category of non-prohibited immigrants the wife or child of a second monogamous union contracted after the dissolution of a first marriage by divorce.

* No. 102 in African (South) No. 1012.

† No. 118.

The result of the judgment in the appeal *Nandkor versus Principal Immigration Officer* is that a second wife or her children cannot be introduced while the divorced wife remains in the Union or while (during her lifetime) any of her children remain in the Union.—*South African Law Reports, Cape, 1917.*

The result of the judgment in the *Fatima* case is that the child of a deceased wife cannot be introduced if her marriage had been dissolved and before her decease followed by a second marriage with a wife living in the Union (because the deceased woman if she had been alive could not have been recognized as the wife as defined, and therefore, even after her decease, her children are not children as defined).—*South African Law Reports, Transvaal, 1917.*

The section, as (no doubt correctly) interpreted by the Courts, by making impossible the recognition of Indian divorce, imposes a special disability on Indian residents. It applies the principle of monogamy in a stricter sense to Indian than the European marriages. Re-marriage after divorce is not inconsistent with the maintenance of monogamy as the principle of South African marriage law among Europeans, but, so far as this section operates, is denied to Indians.

The question has naturally arisen whether this was the intention of the Legislature at the time when the Indian Relief Act was passed.

It might perhaps be urged that the relief granted by that Act was only a qualified relief, that it was qualified by the fundamental policy of restricting Indian immigration, that this policy found expression in the section by preventing the immigration of a second wife after the divorce of a first; and that the wording of the section was consciously elaborated to secure this object. But if this was the object of the limits set on the definitions in the section it was not publicly declared at the time. If it had been, public opinion would hardly have greeted with the same satisfaction the settlement which was supposed to have been reached.

A more probable answer is that it was the undoubted and avowed object of the Act to recognize *de facto* monogamous marriages of Indians, whose religion permits polygamy, so far as this could be done without at the same time giving any sort of legal sanction to polygamous unions; that the complicated definitions of "wife" and "child," coming within the class of non-prohibited immigrants, were due to an endeavour to reconcile these two intentions, and that it was only by inadvertence that these definitions fail to take into account a second monogamous union contracted after the dissolution of a previous one, with the result that their actual wording are in conflict with the wishes of the legislature at the time.

This view would seem to be corroborated by a brief survey of the history of the question:—

In Natal Act 25 of 1891 Sections 76 and 78 provided for the granting by a magistrate of divorces (on grounds of adultery or one year's desertion) to Indian immigrants, section 81 for the re-marriage of the divorced parties, and section 82 for nullity of marriage. These provisions, together with those of Natal Act 2 of 1907, are specifically kept alive by section 4 of the Indians Relief Act.

The Immigrants Regulation Act, 1913, section 5 (g) included in the category of non-prohibited immigrants any person proved to be the wife or minor child of an exempted person "including the wife or child of a lawful and monogamous marriage duly celebrated according to the rites of any religious faith outside the Union." It is understood that this sub-section was adopted on the motion of Mr. Alexander, a Cape Town member, in the interests of the Indian community. It was thought that the words used would cover the case of any *de facto* monogamous wife (see Mr. Chaplin's speech on the second reading of the Indians Relief Bill, in the House of Assembly). The Natal Division of the Supreme Court, however, held that these words excluded marriages celebrated according to the rites of a religion which permitted polygamy.

It had always been the practice of the Immigration Department to admit one wife and the minor children of a resident Indian. The first recommendation of the Indian Enquiry Commission of 1914 was that the Immigrants Regulation Act should be amended to bring the law (as unexpectedly interpreted in the Court) into conformity with that practice. The Commission also recommended facilities for the registration (and consequent legal recognition with all the incidents following therefrom) of Indian marriages—a system which already rested on legislative enactment in the Cape Province.

To give effect to these recommendations the Indians Relief Bill was drafted. Clause 3 was intended to give effect to the first recommendation.

The definition of "wife" in Clause 3 (2), as first drafted, ran as follows:—
 "The wife shall include 'a woman between whom and the exempted person . . . there exists a union recognized as a marriage under the tenets of an Indian religion, notwithstanding that by those tenets the union of that exempted person with other woman *at the same time* would also be recognized as a marriage; provided that no woman shall be deemed to be the wife of such exempted person

(a) If such a union exists between him and any other woman who resides in any province; or

(b) if such exempted person has in any province offspring by any other woman who is still living, and between whom and such exempted person such a union exists or has existed."

It should be noted that the words "at the same time" show that what was understood by polygamy was the existence of a state of marriage with two or more wives simultaneously, not the marrying of one wife in succession to another.

The Governor-General's private secretary, in a letter to Mr. Gorges, of 15th May, 1914, drew attention to the last words of proviso (b). He pointed out that the words "or has existed" would operate to exclude a second wife after the divorce of a previous union. It is presumed that due consideration was given to Mr. Stanley's suggestion by Ministers. When the Bill was introduced all the words in proviso (b) after "who is still living" were omitted. The actual effect of this omission was to leave the meaning of the proviso much the same as when it was first drafted; but it appears probable that it had been the intention to re-draft the proviso so as to permit the introduction of a second wife after the divorce of a first. It will be seen that this would actually have been the effect if only the words "or has existed" had been deleted from the draft, and the remainder of the proviso had been left standing so as to read "if such exempted person has in any province offspring by any other woman who is still living, and between whom and such exempted person such a union exists." It would seem that an attempt was made to prevent the very contingency which has now arisen (in the case of Nandkor), of the section being interpreted by the Courts so as to exclude a second wife, after divorce from a first wife, during the latter's lifetime. It may be observed that Juta (J.P.) in his judgment in that case said that if it was the intention of the Legislature to permit the introduction of such second wife the proviso should have read in the words identical with those last quoted (which was precisely what Mr. Stanley proposed at the time). It seems likely that the defect in the clause as originally drafted—which was pointed out by Mr. Stanley—was recognized, and that it was desired to remedy it. Otherwise there was no reason for altering the original draft of the clause. Unfortunately, as too many words were cut out, the defect remained as before.

That it was not the intention to withhold recognition of divorce is also shown by sections 1 and 2 of the Indians Relief Act, which deal with the solemnization and registration of marriages. Sections 1 (2) and 2 (1) provide that "all the incidents" shall follow "from such marriages which follow from any other union recognized in law as a valid and binding marriage." Divorce is one of such incidents, as was pointed out by the Minister in charge of the committee stage of the Bill in the Senate in the debate on clause 1. The divorce contemplated by this section was no doubt only one taking place according to Roman-Dutch law (*cf.* the debate on the committee stage in the House of Assembly); but the words of the sections are sufficient to show that the legislature did not regard an Indian marriage as incapable of legal divorce or a second marriage after divorce as involving anything contrary to the principle of monogamy.

In the case of Fatima, the result of the judgment of the Supreme Court shows that the Act bears particularly hardly in circumstances such as gave rise to that case. It would appear to be unarguable that the Legislature intended to exclude the offspring of a previous marriage which had been dissolved, even after the decease of the divorced wife. The words added to the definition of "child" at the end of section 3 (2) ("child of . . . a deceased woman who, if she had been alive, could have been recognized as the wife as herein defined") were, it is true, inserted at the suggestion of Mr. Gandhi, but with the object of permitting the admission of the children of deceased women, not of excluding the children of divorced women subsequently deceased.

It is therefore suggested that the Act in this section, as interpreted, subjects Indian residents to a new disability which was not intended, in view of the previous Natal Acts, and other sections of this Act which recognize the possibility of Indian

marriages being dissolved by divorce, and in view also of the history of the subject prior to the passing of the Act and the changes made in the draft Bill before it was introduced. If the Union Government agree in this conclusion it is hoped (1) that this disability may be removed by amending legislation, as opportunity offers, enacting that the wives and children of Indian residents shall not be excluded from the category of non-prohibited immigrants on any ground solely connected with an exempted person's re-marriage subsequent to the dissolution of a previously existing union, subject to reasonable safeguards against abuse. Such safeguards could probably be secured by defining the grounds, which, for the purposes of the section, would be recognized as dissolving a marriage. This need present no difficulty in view of the fact that grounds of dissolution were successfully defined for the purposes of Natal Act 25 of 1891. (2) That meanwhile the Immigration Department may be instructed to administer the Act so as not to exclude such wives and children. Such instructions would be in accordance with the promise made to Mr. Gandhi in Mr. Gorges' letter of the 30th June, 1914, to the effect that existing laws should be administered in a just manner and with due regard to vested rights, and would be a natural consequence of the friendly attitude displayed by the South African representatives towards the Indian question at the last Imperial War Conference.

34111

No. 120.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential (2).)

MY LORD,

Downing Street, 7th July, 1919.

I HAVE the honour to transmit to Your Excellency, to be laid before your Ministers, the accompanying copy of a memorandum,* which has been prepared in the India Office, regarding the question of the admission to the Union of the wives and children of resident Indians who have divorced their previous wives.

2. I hope that your Ministers will find it possible to give favourable consideration to the views and suggestions submitted in this memorandum.

I have, &c.,

MILNER.

(F) Status of Indians born in Native States of India.

16303

No. 121.

MR. H. S. L. POLAK to COLONIAL OFFICE.

(Received 3rd April, 1918.)

SIR,

Danes Inn House, 265, Strand, W.C.2, 2nd April, 1918.

It is with great regret that I have to draw your attention to the very serious matter dealt with in the enclosed extracts from *Indian Opinion* of 8th and 22nd February, being the report of a case heard in the Natal Provincial Division of the Supreme Court of South Africa, the paper's editorial comment thereon, and an expression of editorial opinion from the *Star*, Johannesburg, by no means a pro-Indian journal.

I need hardly, I am sure, emphasize the seriousness and far-reaching character of the Court's decision, not only as regards the position of a considerable proportion of the settled Indian population in South Africa, but also as it may affect the Constitutional relations of the Indian Native States and the British Government in India.

If the Court's decision be well-founded the prospects of some thousands of Indians coming from the Native States of Western India are alarmingly jeopardized, for there is nothing except their goodwill, which depends largely upon the extent

* Enclosure in No. 119.

to which they are influenced by public opinion in South Africa—it is often very hostile and bitter—to prevent the Union Government from deporting from the country that portion of the Indian population which comes from the Native States as undesirables and prohibited immigrants, and there will be no right of redress or right of appeal to the Supreme Court, which is expressly excluded by the terms of the Immigrants Regulation Act, 1913, in the case of aliens. By the action that they have now taken, in instructing the Natal Attorney-General to raise this technical point, the Union Government have, in effect, proclaimed their power to cancel every document of residence or domicile created by statute, in the case of such persons, and either to remove them from the country or prevent their return if they should temporarily absent themselves. As you will observe, they have actually exercised this power in the present case, and have thereby converted the document held by the unsuccessful appellant into "a scrap of paper." The effect of this procedure of the Government and the decision of the Court upon public opinion in India cannot easily be calculated.

Hitherto it has been accepted in South Africa that no distinction should be drawn between British and non-British Indians, all Indians who were not subjects of France or Portugal being equally regarded as British Indians in South Africa. For this reason, and in order not to involve the Indian rulers in controversies in which the relations of the Imperial Government and the Dominions were concerned, Indians from the Native States, resident in South Africa, refrained almost completely from representing Indian grievances to rulers of the States from which they came. Now, as a result of this decision of the Court and the action of the Government, it has been publicly declared that, as aliens, and not British subjects, they may not appeal for protection to the Courts of South Africa, and, unlike French, American, or Japanese aliens, they cannot appeal to their consular representatives. The constitutional reply of the Governor-General of the Union would undoubtedly be that he cannot act independently of the advice of his Ministers. Accordingly, Indians from the Native States find themselves entirely without official or judicial protection against any excess of administrative zeal or hostile change of policy on the part of the Union Government. Had the Government taken this point at an earlier stage, during the passive resistance struggle, it would have been competent for them to have deported Mr. Gandhi, the Indian leader, himself the subject of the State of Porbander, as a prohibited immigrant, and they are now armed with the power to prevent his return to the country—should he deem it necessary to resume his former rights there.

A further result of what has happened is that, in future, the subjects of the Indian States, resident in South Africa, in order to protect their interests, will be obliged to apply for the intervention of their rulers in India, and at the very moment when the whole tendency of constitutional reconstruction in India is in the direction of bringing the territories of British India and the Native States, and their peoples, into closer relations with each other, advantage has been taken of Imperial preoccupations to add to the difficulties that surround the delicate relations of the Governments of British India and the Native States. No more tragic disservice could have been rendered to the Empire at the present juncture than this. And it is particularly painful, as the *Star* remarks, in that this action has been taken in Natal, which especially owes its prosperity to Indian settlement.

I venture respectfully to request that the Right Honourable the Secretary of State will give the matter his urgent and most careful consideration, with a view to settle satisfactorily the constitutional issue thus unnecessarily raised, and in order to appease the indignation of all thoughtful people in India, and allay the very natural anxiety of the entire Indian community in South Africa.

I have, &c.,
H. S. L. POLAK.

Enclosure 1 in No. 121.

EXTRACT FROM "INDIAN OPINION" OF FRIDAY, 8TH FEBRUARY, 1918.

INDIANS FROM NATIVE STATES: IMPORTANT LEGAL DECISION.

AN important decision was given in the Supreme Court, Maritzburg, on the 4th instant, which, says the *Times of Natal*, will have the effect of declaring hundreds, if not thousands, of Indian residents in the Union to be aliens, and therefore coming within the radius of recent legislation.

The facts of the case are these: Essa Jan Mahomed, an Indian, came to Natal in 1896, and at the time of his entry into the Province he possessed a domicile certificate, which was

substituted in 1911 for the one he received in 1896. He is a storekeeper in Maritzburg by calling. He paid three visits to India between 1896 and 1917, but on his return to Natal on the last occasion, in April last, his right to come into the Province was questioned. The Immigration Officer ruled that Mahomed and his minor son, whom he brought from India, were prohibited immigrants. Mahomed appealed to the Appeal Board against the decision of the Immigration Officer, and thereupon Mahomed appealed to the Supreme Court.

Mr. R. J. Harrison moved for a writ of *mandamus*, directing the Board to reserve certain questions of law for the decision of the Supreme Court, in terms of section 3, subsection 2, of the Immigrants Regulation Act (22 of 1913).

The Attorney-General, for the Board, raised the objection that the applicant was not a British subject, but was a subject of the Native State of Mavanaga [Bhawanagar], in India, as was shown by the applicant's passport, which was produced.

The Court decided that this preliminary point should be dealt with first, as under subsection 3 of section 3 of the above-named Act an alien has no right of appeal against the decision of the Board.

The Attorney-General argued at considerable length, and quoted authorities to show that the subjects of a Native State in India, while they had the protection of the British Crown, were not British subjects, and therefore were aliens.

Mr. Harrison contended that the applicant and his son were not aliens, and that they were in a peculiar position seeing that the Princes of the State to which they belonged owed allegiance to the Crown, and therefore, he argued, the applicants were British subjects.

In delivering judgment, the Judge-President went into all the authorities quoted, and said that on these authorities the subjects of Native States in India, in what was described as Native India as distinguished from British India, were not British subjects, although such States were under the protection of the British Crown. It was clear from the authorities that the applicants were not British subjects, but were aliens, and as such were not entitled to appeal to the Supreme Court against the decision of the Immigrants Appeal Board. The application must, therefore, be refused.

The Honourable Justice Carter and the Honourable Justice Tatham agreed.

The Attorney-General applied for costs in favour of the Board, but, after argument, the Court decided to make no order as to costs.

Enclosure 2 in No. 121.

EXTRACT FROM "INDIAN OPINION" OF FRIDAY, 8TH FEBRUARY, 1918.

A BRITISH ALIEN!

THE recent decision of the Natal Provincial Division of the Supreme Court raises a great question. By a stroke of the pen more than half of the Indian residents, born in India, are declared to be aliens and not British subjects. The Attorney-General, for the Immigrants Appeal Board, raised objection to the entry of an Indian, domiciled here since 1896, on the ground that he was not a British subject, but was a subject of the Native State of Bhawanagar, in India. We do not know whether the Judges of the Natal bench realize that they are thereby raising a very big question, and not merely deciding a point of law in an immigration case. Perhaps that does not concern them. The Attorney-General, we learn, argued at considerable length, and quoted authorities to show that the subjects of a Native State in India, while they had the protection of the British Crown, were not British subjects, and therefore were aliens. And what is an alien? He is, according to a dictionary, a foreigner, one born in, or belonging to, another country. In English law an alien is one born out of the allegiance of the King. If the subjects of Native States in India do not owe allegiance to King George, the Princes themselves certainly do. How is it possible for a Prince, who is not an alien, to rule over subjects who are aliens? The thing is preposterous. Another puzzle is this: If Indians, born in Native States, are aliens, of what nationality are they? They must still be Indians, and India is called a Dependency of the British Crown. They are certainly not Russian, French, or German. This creating aliens within the Empire is as absurd as it is unjust. We wonder what the "Princes and Peoples of India," as affectionately addressed by His Majesty, will think of this latest monstrosity from South Africa. Now we must indeed marvel at the wonderful loyalty of India and at the generosity of "Princes and Peoples" in providing aeroplanes, motor ambulances, and whole regiments for the British Army. It seems that, whilst being actually aliens, they have been a thousand times more loyal and generous than, say, the Nationalist British subjects of South Africa.

But to return to the immediate question affecting the subjects of Native States resident in this country, it appears that the Government, through its Immigration Officers, have started a fresh campaign of weeding out domiciled Indians. If the Union Government have done this deliberately, we must say it is a distinct breach of faith on their part. But if it is the ingenious device of the Immigration Officer it only proves more clearly than ever that the object of these gentlemen is to harass the people and find excuses for excluding lawful residents. In any case the matter cannot rest where it does to-day, and it is not a problem which should be thrust upon any individual to solve. It is essentially a matter that should be taken up by the Indian community.

Enclosure 3 in No. 121.

EXTRACT FROM "INDIAN OPINION" OF FRIDAY, 22ND FEBRUARY, 1918.

INDIANS FROM NATIVE STATES: THE "STAR'S" COMMENT.

The *Star* (Johannesburg), commenting upon the recent decision of the Natal Supreme Court in deciding that an Indian born in one of the Native States of India was an alien and therefore not entitled to appeal to the Court against the decision of the Immigration Officer who had pronounced him to be a prohibited immigrant, says:—

"To us it appears entirely contrary to equity that a man who has been allowed to reside in a British Dominion for close on a quarter of a century, and has built up a business for himself, should be declared an alien on a legal side issue, his vested rights and his domicile alike being disregarded. The Natal Supreme Court has of recent years taken an unfortunate part in creating feeling of apprehension among the Indian people. It is always more easy to foster that feeling than to allay it. The legal and technical position may be quite sound. We are, however, not concerned with that special aspect, but with the broader standpoint of national and Imperial policy from which the judgment appears to be indefensible. It is not beside the point to remember that no colony owes more to the Indians than Natal. She was virtually bankrupt before the Indians were imported to stimulate her flagging industries, and was only pulled out of the mire by the free use of Indian labour. To-day her prosperity is to a very large extent based on that labour, and it is therefore all the more a matter of regret and reproach that the spirit of Natal policy in late years—as interpreted by the Judges of the Court—should be in such flat violation of the principles of justice and so completely out of consonance with Imperial interests."

16303

No. 122.

COLONIAL OFFICE to INDIA OFFICE.

[Answered by No. 123.]

SIR,

Downing Street, 22nd April, 1918.

I AM directed by Mr. Secretary Long to transmit to you, to be laid before the Secretary of State for India, a copy of a letter* from Mr. H. S. L. Polak regarding the case of a native of the Indian State of Bhawanagar, residing in Natal, who, on his return from a visit to India, has been treated as an alien for the purposes of the Union Immigrants Regulation Act, 1913.

Mr. Long would be glad to receive the observations of the Secretary of State on the case.

I am, &c.,

HENRY LAMBERT.

21843

No. 123.

INDIA OFFICE to COLONIAL OFFICE.

(Received 4th May, 1918.)

[Answered by No. 127.]

India Office, Whitehall, London, S.W.1,

3rd May, 1918.

SIR,

IN reply to your letter dated the 22nd April, 1918,† I am directed by the Secretary of State for India in Council to state, for the information of Mr. Secretary Long, that he received from Mr. H. S. L. Polak copy of the letter addressed by him to the Colonial Office on the 2nd April, 1918,* drawing attention to the newspaper reports of the recent case before the Supreme Court, Maritzburg, from which it would appear that a subject of the Native State of Bhawanagar was prevented from landing in South Africa, and was subsequently held to be not entitled to appeal against the decision of the Immigrants Appeal Board, on the ground that he was an alien.

The Secretary of State cannot but think that, if this report is correct, the Union Government or the Immigration Authorities must have been misinformed as to the treatment that His Majesty's Government habitually accord to subjects of the Native States of India. It is the case that these persons are the subjects of the rulers of their States and not British subjects, but, on the other hand, they

* No. 121.

† No. 122.

are far from being treated as aliens, and His Majesty's Government would be seriously concerned to find such treatment being accorded to them. For example, they have been quite recently declared by Parliament to be eligible under certain conditions for nomination to Legislative Councils in British India and for civil or military offices under the Crown, including the Indian Civil Service (6 & 7 Geo. V., c. 37, sections 1, 3, and 4).

Moreover, it has been accepted by the Secretary of State for the Home Department that the subjects of these Native States are not to be regarded in the United Kingdom as aliens within the meaning of the Aliens Restriction Order, and instructions have been issued by him to ensure they should not be required to register or otherwise comply with the Order. Mention may also be made of the fact that in the draft Order in Council annexed to the recent report of the Aliens Committee a clause in section 26 definitely declares that "the expression 'alien' shall not include a subject of any protected State or a native of a British Protectorate."

In further explanation of the position an extract is enclosed from a note to an edition compiled for official use of the Government of India Acts, 1915 and 1916.

The Secretary of State trusts that, in view of the importance of the issue raised, Mr. Long will consider the propriety of addressing the Union Government, and inviting their good offices to secure, by an amendment of the Immigration Act, 1913, or by some other means, that subjects of the Native States of India should be accorded the same treatment as that which, so far as he is aware, is given to them in other parts of the Empire.

If the facts are as stated in the newspaper reports the case to which Mr. Polak has drawn attention would seem to call for further inquiry. Under the decision of the Supreme Court the individual in question is precluded from appealing against the order of the Immigration Board. But for this decision he would have had a right of appeal on the question of domicile or other question of law. In these circumstances the Secretary of State would be glad if Mr. Long would also consider the propriety of addressing the Union Government with a view to an inquiry and a report as to the circumstances in which the order was made by the immigration authorities as to the action taken in pursuance of the order.

I am to suggest that the Union Government might be asked by telegraph to send the text of the judgment referred to in this letter.

I have, &c.,

J. E. FERARD.

Enclosure in No. 123.

EXTRACT FROM NOTE TO SECTION 134 OF THE GOVERNMENT OF INDIA ACT, 1915.

SUBJECTS of the Native States of India are not British subjects, but, inasmuch as the ruling chiefs owe allegiance to the British Crown, they are "protected persons," that is to say, they are treated as British subjects when in any foreign State. See, e.g., section 3 of the Persian Coast and Islands Order in Council of the 7th May, 1907, which provides that "'British subject' includes a British protected person, that is to say, a person who either (a) is a native of any Protectorate of His Majesty, or (b) by virtue of section 15 of the Foreign Jurisdiction Act, 1890, or otherwise, enjoys His Majesty's protection within the Persian coast and islands." Section 15 of the Foreign Jurisdiction Act, 1890 (53 & 54 Vict., c. 37), declares that "where any Order in Council made in pursuance of this Act extends to persons enjoying His Majesty's protection, that expression shall include all subjects of the several princes and States in India." Section 1 of the Fugitive Offenders (Protected States) Act, 1915 (5 and 6 Geo. V., c. 39), authorizes the application of the Fugitive Offenders Act, 1881 (44 & 45 Vict., c. 69), by Order in Council, to places over which His Majesty extends his protection, as if they were British possessions. Section 2 of the Marriage of British Subjects (Facilities) Act, 1915 (5 & 6 Geo. V., c. 40), authorizes the extension of that Act, by Order in Council, to British Protectorates. See further Hall's "Foreign Jurisdiction of the British Crown," page 127, and the preamble to the Slave Trade Act, 1876 (39 & 40 Vict., c. 46).

23399

No. 124.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 13th May, 1918.)

[Answered by No. 126.]

(No. 243.)

SIR, Governor-General's Office, Cape Town, 5th April, 1918.

I HAVE the honour to transmit to you copies of correspondence on the subject of a recent decision of the Supreme Court in Natal regarding the legal status of Indians born in the Native States of India.

2. I understand that Ministers have adopted my suggestion and have informed the British Indian League and the Transvaal Hindoo Association in the sense of Ministers' minute No. 386 of the 12th March.

I have, &c.,

BUXTON,
Governor-General.

Enclosure 1 in No. 124.

The British Indian League, P.O. Box 2100, Johannesburg,

YOUR EXCELLENCY, 15th February, 1918.

IN this matter I am respectfully venturing to address you, not as Governor-General of the Union, High Commissioner of South Africa, but as the representative of the King-Emperor of India. On the 6th instant the Supreme Court of Natal, comprising of three English judges, pronounced a judgment to the effect that Indians born in the Native States of India are not British subjects. In the Delhi Coronation Durbar, His Majesty King George said to the Indian Princes and representative Indian people assembled therein: "You are all my loyal subjects, men of valour, of proud lineage, and noble traditions." A similar proclamation was issued to the Princes and people of India by His Majesty King Edward. That being so it is not necessary for me to cite any other authority to show that Indians are British subjects, and this had been an unquestioned fact accepted by the world.

The learned Natal judges have altered the whole situation. They have established a precedent dangerous to the stability of British rule in India, insulting to the Princes and people of India, and surprising to the world at large. They have reduced our King-Emperor's sacred proclamation to a mockery. Only the other day, in his address from the Throne, our King-Emperor spoke of "my Indian Empire." Ever since the beginning of the world-War the Courts of the Union have been pronouncing decree after decree against Indians, while the Government has been passing the most reactionary laws, striking at the very bedrock of our liberty—or rather what we have left of it. No civilized Government in the world is engaged in such a sinister task against their fellow subjects. Canada and Australia are free from this taint: they have their Asiatic problems to solve, but they are solving it by a more humane, liberal method. They have never degraded or debased human beings by legislation. They remember that they are trustees of British honour.

Alas! the Union Government, where Asiatics are concerned, do not seem to remember anything except their prejudice. Their efforts to solve the Asiatic, coloured, and native problems have culminated in a series of laws which are the ugliest blots upon the honoured name of England. The irony of this is that the Central Empires may not impose similar laws upon humanity—the whole world is up in arms for their destruction!

It is an axiom that a Government is both guardian and trustee of peoples under their rule. They are responsible for the people's mental and moral improvement, political, economical, and commercial prosperity. They should be fair, just, and impartial: truth and honour being the foundation of their rule.

But is the Union Government fair, just, or impartial? No. They have a law for Europeans, a violent, unreasoning racial prejudice, translated into laws, for non-Europeans—laws in the administration of which justice, principle, and all moral scruples are thrown to the winds. Even the Courts of Justice have been muzzled to administer laws, not justice.

The question which now confronts the whole Asiatic world is whether the Union, in having been entrusted with self-government, and having been appointed trustees of subject races and trustees of British honour, are discharging that trust faithfully; whether the Natal Supreme Court's decision is at all calculated to satisfy the people of India as to how such affairs are possible under the British flag; whether the Union Government cannot devote their full time to fighting Prussianism in Europe than to harassing Indians whose friends and brothers are fighting in defence of the British Empire as a whole. The answer to all this is to be found in the seething discontent of the non-European races in South Africa.

An American negro claims to be an American citizen; a negro from French Africa claims to be a citizen of France. Both are honourably treated by their respective Governments. These individuals know that, as far as they are concerned, their Governments will never shirk their responsibility. These foreign Governments treat their white and black citizens with absolute equality. They have raised their white and black citizens by an equal system of education, by equality of opportunity, to become respectable and responsible members of the body politic, thus making of them a valuable asset in their scheme of national defence.

What a contrast is the position of the non-European races under the Union Government! I believe a sum of £18,000 is voted for the maintenance of the Zoo Garden in Pretoria; a similar sum is voted for the education of non-European children in this Province. They receive just enough education to become useful servants, not responsible citizens. Comment is needless. And what Your Excellency saw in Fereiratown with your own eyes is an eloquent testimony to the callousness of the Government who, by every species of reactionary measure, drove people to lead a life of wretchedness and squalor. It is a testimony possible in a country where Government is determined to degrade all non-European races to a position of permanent inferiority to Europeans, compel them to occupy the place of hewers of wood and drawers of water.

This is not a pleasant state of affairs, yet it exists under the British flag, and yet the non-European races have not shirked in their duty to the Empire.

I regret to have to digress from the main subject and make these general observations.

What is the position at present of those thousands of Indians in South Africa who were born in the Native States, and who were declared by the three *English* judges of Natal "not British subjects"? Are they to apply to their respective Princes to appoint Consuls for their protection here? Since they are nobody's subjects can they apply to the nearest foreign Power, the Mozambique Government, for letters of naturalization to become the subjects of Portugal?

These questions are not asked with a view to embarrassing Your Excellency, they are asked in view of the above judgment, and in a spirit of honest inquiry. As a loyal British subject I would be failing in my duty if I did not point out how dangerous to the peace of India this judgment has become, and what an instrument of mockery it would be in the hands of the enemies of the Empire. All because the highest law recognized by the Union Government is "white supremacy," and they are obsessed by that term. No method has been thought too bad or too good to enforce this obsession. In illustration of this point, about 50,000 of the most intelligent natives were recruited and sent to Europe to assist in war work. Soon after they were sent out the Government brought forward a Native Land Act to rob the land of the wives and children of these very natives! My Lord, history records no greater act of "slimness" than this action of the Government. Therefore my countrymen humbly beg of you to advise and protect them against a tyrant Government, which, under the ægis of the British flag, is strenuously endeavouring to degrade British Indians.

I have, &c.,

M. V. DESAI,
Honorary Joint Secretary.

His Excellency

The Right Honourable Viscount Buxton, P.C., &c.,
Cape Town.

Enclosure 2 in No. 124.

The Transvaal Hindoo Association, P.O. Box 2941, Johannesburg.
 YOUR EXCELLENCY, 16th February, 1918.

THE decision of the Supreme Court of Natal in the matter of Essa Jan Mahomed has caused a certain amount of anxiety on the part of the Hindoos of the Transvaal Province, and my Committee have accordingly instructed me to address Your Excellency on the subject.

The judgment above referred to has no doubt been brought to Your Excellency's notice. It affects by far the greater portion of Hindoos in this country, and it is to the effect that those of us who hail from parts of India where we are subject to the rule of a Native Prince are not British subjects.

Many Hindoos in the past have been under the impression that they are British subjects. Amongst the more enlightened, however, we have never claimed to be British subjects, but we have all been given to understand, in practice at any rate, that the laws of this country, where they spoke of British Indians, referred to all Indians who came here from any part of Hindustan. The Indian Relief Act would be meaningless unless it did give us to understand that this was so, because it was on account of the agitation of all Indians that the relief was brought about; and until the present moment it was never anticipated by us that the Government would avail itself of an obvious mistake in terminology. The Relief Act, and any other Act that refers to British Indians, cannot but mean Indians from India, that is to say, the whole of India as it is usually understood.

Whatever interpretation is placed upon the words is a matter for the Courts of Justice, and not for ourselves. We do feel this, however, that our position in this country should be officially defined.

We now approach Your Excellency as the representative of His Majesty King George V., Emperor of India. In a sense Your Excellency's position, we take it, would be towards us very much as that of an ambassador or consul to a foreign people. If this relationship does not exist then we would ask Your Excellency to define our status. We are, according to the judgment, as foreign to Great Britain as are the Turks, or the Russians, or the Greeks living in this country. But these people, if they are not at war with Great Britain, have their consular representatives here, as have also the Chinese. But we, apparently, are a foreign people, or the law is about to regard us as such, without any representative whatsoever. The Government of the Union certainly are not our representatives.

We are daily suffering great hardships, and it would appear that the time has come when further hardships are about to be imposed upon us. Up to the present we have always been under the impression that we could appeal to the British Government, of which we appeared to be subjects. At least this was the position from the British point of view when war was declared upon the Boers, and the fact of our being British subjects was used as a *casus belli*. At that time the Indians whose grievances the British statesmen championed were not British subjects, or at least a very great number of them were not, but it suited diplomacy so to designate them. To-day there is apparently no desire to recognize them as such, since they can serve no useful political purpose.

The Indian, as Your Excellency no doubt knows, receives no benefit from his being a British subject or being styled a British subject, nor does he particularly desire the distinction, sometimes wrongly and sometimes designedly conferred upon him, but he certainly will not tolerate his status being played about with to suit political aims and political conditions.

In order to communicate with our various Princes in India we would like Your Excellency to explain to us whether the existing privileges, such as they are, contained in the laws of the Union, refer to the handful of Indians who, according to international law, are British subjects, or whether the practice followed in the past is to prevail. It is our wish, further, to ask our various Princes to appoint such persons in this country with consular rank who may be able to protect our rights, and to whom we may go to in case of distress. The Transvaal Hindoo Association has a total membership of over 2,000 members, and the Hindoos of the Transvaal who are not British subjects number more than a thousand. All these people are anxiously awaiting Your Excellency's reply.

We sincerely trust that Your Excellency will view this communication in the spirit in which it is meant. We have no desire to be disrespectful to the British

Crown, to which we owe allegiance through our Princes, but we are now about to fight for our very existence in this Dominion, and we intend to be guided by Your Excellency's advice.

We have, &c.,

W. M. SHELAT, } Joint Honorary Secretaries.
 MAKALUP DULAM, }

To the Right Honourable Viscount Buxton, P.C., &c.,
 His Majesty's High Commissioner for South Africa,
 Cape Town.

Enclosure 3 in No. 124.

(Minute 386.)

Prime Minister's Office, Cape Town, 12th March, 1918.

WITH reference to His Excellency the Governor-General's minutes, No. 15/893 and No. 15/894, of the 22nd and 26th February last, respectively (with enclosures), Ministers have the honour to forward, herewith, for His Excellency's information, a copy of the recent judgment of the Natal Provincial Division of the Supreme Court, declaring natives of the Protected Native States of India to be aliens, and to state that, notwithstanding the legal position, they will instruct their officers not to press this point in the event of any further appeals being made by such persons to the Supreme Court in terms of section 3 of Act No. 22 of 1913.

In consequence of other pressing matters which have to be dealt with by Parliament, Ministers regret that they are unable to introduce any amending legislation during the present session, but, in view of the legal decision referred to, they intend to propose to Parliament, next time the Act in question is dealt with, that it should be provided that, for the purposes of the appeal referred to, a native of one of the Protected States in India shall not be regarded as an alien.

LOUIS BOTHA.

(File No. 6540.)

4th February, 1918.

E. J. MAHOMED AND MINOR SON V. IMMIGRANTS APPEAL BOARD.

DOVE-WILSON, J.P.: This is an application by a person claiming to be an appellant in the sense of section 3, subsection 2 of Act 22 of 1913, for an order upon the Indian Immigrants Appeal Board to reserve for the decision of this Court certain questions of law. Preliminary objection is taken by the Attorney-General that the applicant has himself in the course of the proceedings before the Board furnished evidence that he is not entitled to be regarded as an appellant at all in the sense of the section because he is an alien.

Subsection 3 of section 3 provides that "appellant," in the sense of subsection 2, shall not include an alien. In the course of the proceedings before the Board the applicant produced his passport as evidence of his status. That passport bears his photograph, is signed by him, and declares that his national status is that of a subject of the State of Navanagar, a Native State in India, and as such entitled to His Majesty's protection; and the passport regulations provide that passports may be issued, amongst others, to subjects of Native States in India.

If, therefore, the subject of a Native State is an alien, then the preliminary objection is made out; and upon this question I think the law is quite clear. It is common knowledge that India is divided into what may for convenience be called British India and Indian India, the latter portion of India consisting of a large number of States of varying sizes, owing allegiance to their own Princes or rulers, but under the suzerainty and protection of the British Crown. I take in the first place the definition of "alien" afforded by Lord Halsbury's "Laws of England," volume I, section 662: "An alien is, at common law, a subject of a foreign State who has not been born within the allegiance of the Crown"; and in a note to that section an old case (1608) is cited, where it was laid down that "Ligeance is the mutual bond and obligation between the King and his subjects whereby subjects are called his liege subjects because they are bound to obey and serve him." Again, in Renton's "Encyclopaedia of the Laws of England," volume I, "alien" is stated to be in practice applicable to all persons who, although they may be on British soil, are not British subjects. In short, "alien" is simply the

converse of "British subject," and all who are not British subjects may comprehensively be described as aliens.

The question accordingly is whether the subjects of Native States in India under the suzerainty of the British Crown are British subjects. In Hall's "International Law," at page 29, fourth edition, it is stated: "For the purpose of International Law a protected State is one which, in consequence of its weakness, has placed itself under the protection of another Power on defined conditions, or has been so placed under an arrangement between Powers the interests of which are involved in the disposition of its territory. The incidents of a Protectorate may vary greatly; but in order that a community may fall within the category of the Protected States, which are persons in international law, it is necessary that its subjects shall remain a distinct nationality . . . ; in other words, its members must owe no allegiance except to the community itself." And in a note to the passage I have just quoted it is said: "Protected States such as those included in the Indian Empire of Great Britain are of course not subjects of international law. Indian Native States are theoretically in possession of internal sovereignty, and their relations to the British Empire are in all cases more or less defined by treaty. The treaties really amount to little more than statements of limitations which the Imperial Government, except in very exceptional circumstances, places on its own action." In 10 Halsbury's "Laws of England," section 1017, dealing with the Native States of India, it is said: "It is probably impossible to attempt the definition of a Native State, or even to ascertain the precise status of its ruler, if there be one. The accepted test is that the inhabitants are not British subjects properly so called, that they are not amenable to ordinary British jurisdiction, and that they do not pay revenue." Again, in Renton's "Encyclopædia," volume 2, page 251, it is said that "the term British community does not include the territories of independent Native Princes. In the Native States the Governor-General has only such powers as have been ceded to him by the local governments, but the subjects of Native Princes are recognized for various purposes as persons enjoying Her Majesty's protection."

I think it is clear from these authorities that if we accept—and I see no reason why we should not—the applicant's own evidence as to his status, he is not a British subject; and if he is not a British subject he is an alien, and consequently not entitled to the advantages given to an appellant by the Act. Upon these grounds the application must be refused. There will be no order as to costs.

CARTER, J., and TATHAM, J., agreed.

Enclosure 4 in No. 124.

(Minute No. 15/896.)

Governor-General's Office, Cape Town, 19th March, 1918.

THE Governor-General acknowledges the receipt of Ministers' minute No. 386, of the 12th March, and is glad to know that Ministers have decided not to take advantage of the judgment of the Natal Provincial Division of the Supreme Court declaring natives of the Protected Native States of India to be aliens, and that they will introduce suitable amending legislation at the first convenient opportunity.

It appears to the Governor-General that this decision should be made public as soon as possible. If Ministers agree, he would suggest that Ministers should send a reply in the sense of their minute No. 386 of the 12th March, to the letters of the 15th and 16th February from the British Indian League of the Transvaal and the Transvaal Hindoo Association, respectively.

BUXTON,
Governor-General.

23342

No. 125.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 13th May, 1918.)

(Confidential.)

SIR, Governor-General's Office, Cape Town, 5th April, 1918.
WITH reference to my despatch No. 243, of 5th April,* I have the honour to transmit to you copies of correspondence which I have had with Sir Thomas Watt, the Minister of the Interior.

2. On the information at present before me the undertaking given by Ministers in their minute of the 12th March, and the action of Sir Thomas Watt in regard to this particular man, Essa Jan Mahomed, would appear to be satisfactory. It is, however, disquieting to find that the Principal Immigration Officer raises such a plea at the present time as that the man being born in a Native State is not a British subject. The Attorney-General, as a lawyer, of course is in a somewhat different position.

3. It is not yet clear how the Supreme Court decision will affect the position of Indians from the Native States in their dealings with local authorities over whom Ministers have no control, e.g., with provincial or municipal authorities in regard to trading licences and the municipal franchise.

I shall, however, bear this aspect of the matter in mind.

4. I understand that the Department of the Interior has, since the decision of the Supreme Court, received an application from an Indian born in a Native State for naturalization as a British subject, and that Ministers have not yet decided what attitude they will adopt to this and similar applications.

I have, &c.,

BUXTON,
Governor-General.

Enclosure 1 in No. 125.

(No. 15/896.)

Governor-General's Office,

DEAR SIR THOMAS, Cape Town, 20th March, 1918.

I HAVE received Ministers' minute No. 386, of 12th March, in regard to the legal status of Indians born in the Native States of India.

The first reference which I saw to the recent judgment of the Natal Court was in a brief paragraph of the *Cape Times* of 5th February. There it was stated that the point arose out of an application by an Indian named Mahomed, who had been resident in Natal since 1896 and was refused readmission in April last.

I should be much obliged if you would let me have a full report on the case of this man Mahomed. In particular I should be glad to know:—

1. The facts as to his residence in Natal;
2. On what grounds his application for readmission was refused;
3. What were the points of law on which he wished to appeal to the Supreme Court;
4. By whom the plea that he was not a British subject was first raised; and
5. What is his present position.

I desire this information in order that my report on the matter to His Majesty's Government may be as complete as possible.

Yours sincerely,
BUXTON.

The Honourable Sir T. Watt, K.C.M.G.,
Minister of the Interior, Cape Town.

* No. 124.

Enclosure 2 in No. 125.

Union of South Africa,
Office of the Minister of Public Works and Interior,

27th March, 1918.

YOUR EXCELLENCY,

In reply to your letter of the 20th instant regarding Essa Jan Mahomed, I beg to inform you that the position is as follows:—

He arrived in Durban, Natal, from Calcutta, India, per the s.s. "Surat," on the 10th April, 1917, and was declared a prohibited immigrant by the Principal Immigration Officer at Durban under the provisions of section 4 (1) (a) and (b) of the Immigrants Regulation Act, No. 22 of 1913. Mahomed appealed to the Immigration Appeal Board established under the provisions of section 2 of the same Act, and the appeal was heard by the Board on the 4th September, 1917. Mahomed's plea was: (a) that he is the legal holder of certificate of domicile issued on the 20th April, 1911; (b) that by virtue of the provisions of paragraph (f) of section 5 of Act No. 22 of 1913 he is not a prohibited immigrant. The evidence taken before the Board showed that no definite statement could be obtained from Mahomed as to his period of residence in Natal. In one part of his evidence he referred to twenty-one years' domicile, then to fifteen, and again to six, but, after a full hearing of the case, the Board found that his first arrival was somewhere about 1902, and that he never satisfied the Immigration Officer at that time of his right to enter Natal, and they dismissed the appeal. Although the Board did not refer in their finding to the certificate of domicile produced by the appellant, it is assumed that they were of opinion that he was not the person referred to in it or that he had obtained it by fraud or error.

In regard to the specific questions put by you, the replies are as follows:—

1. In regard to the facts as to Essa Jan Mahomed's residence in Natal the finding of the Board is that his first arrival was in 1902.

2. The reason for the refusal of his application for readmission to Natal was that he originally came in illegally, and, therefore, had no right to remain in Natal.

3. The points of law and questions submitted by the appellant to the Natal Provincial Division of the Supreme Court were as follows:—

(1) Did the evidence submitted to the Board establish that Essa Jan Mahomed is entitled to be regarded as having his domicile in the Province of Natal?

(2) Did the certificate of domicile held by Essa Jan Mahomed entitle him to claim domicile in Natal?

(3) If Essa Jan Mahomed had acquired a domicile in Natal at any time was there any evidence before the Board to justify it in holding that he had abandoned such domicile?

(4) Does the applicant come within the provisions of Act No. 22 of 1913?

(5) If the applicant comes within the provisions of the said Act is he entitled to exemption under section 5 (f) of the said Act?

(6) If Essa Jan Mahomed is exempted from the provisions of the said Act is his son Gannie Essa entitled to claim that by virtue of paragraph (g) of section 5 of the said Act he is not a prohibited immigrant?

(7) Did the evidence generally entitle the Board to declare that the applicant and his said son are prohibited immigrants?

4. The point that he was not a British subject was first raised by the Principal Immigration Officer on the 26th October, 1917, in reporting the proceedings of the Immigration Appeal Board to the head office, but the Attorney-General also took this exception to the appeal to the Supreme Court, a copy of whose judgment has been sent to you.

5. The present position is that Mahomed is still at Pietermaritzburg, but it is understood that he is taking the advice of counsel with the object of appealing against the decision of the Court.

I may add that, after taking all the circumstances of the case into consideration, I have thought it wise to allow him to remain in Natal as if he were legally domiciled there, and have instructed the Immigration Department accordingly.

I am, &c.,

T. WATT.

His Excellency

The Right Honourable Viscount Buxton, P.C., G.C.M.G.,

&c., &c., &c.,

Government House, Cape Town.

Enclosure 3 in No. 125.

(No. 15/896.)

Governor-General's Office,

Cape Town, 5th April, 1918.

DEAR SIR THOMAS,

I AM much obliged for your letter of the 27th March in regard to Essa Jan Mahomed.

The Secretary of State will, I am sure, be glad to know that in the special circumstances you have decided to allow this man to remain in Natal.

Yours sincerely,

BUXTON.

The Honourable Sir T. Watt, K.C.M.G.,

Minister of the Interior, Cape Town.

23399

No. 126.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 223.)

MY LORD,

Downing Street, 5th June, 1918.

I HAVE the honour to acknowledge the receipt of Your Excellency's despatch No. 243, of the 5th April,* on the subject of the decision of the Supreme Court of Natal in the matter of Essa Jan Mahomed, regarding the legal status of Indians born in the Native States of India.

2. I have learnt with satisfaction of the action which your Government have decided to take to meet the situation caused by this decision of the Court. I may observe that the case had been brought to my notice prior to the receipt of your despatch, and I had been in communication with the Secretary of State for India on the subject, who has pointed out that, though it is true that the subjects of the Native States of India are the subjects of the rulers of their States and not British subjects, they are far from being treated as aliens, and His Majesty's Government would be seriously concerned to find such treatment accorded to them. For example, they have been quite recently declared by Parliament to be eligible under certain conditions for nomination to Legislative Councils in British India, and for civil or military offices under the Crown, including the Indian Civil Service (6 and 7 George V., chapter 37, sections 1, 3, and 4).

3. Moreover, it has been agreed that the subjects of these Native States are not to be regarded in the United Kingdom as aliens within the meaning of the Aliens Restriction Order, and instructions have been issued to ensure that they should not be required to register or otherwise comply with the Order.

I have, &c.,

WALTER H. LONG.

23399

No. 127.

COLONIAL OFFICE to INDIA OFFICE.

SIR,

Downing Street, 5th June, 1918.

WITH reference to your letter of the 3rd May,† I am directed by Mr. Secretary Long to transmit to you, to be laid before the Secretary of State for India, copies of two despatches which have been received from the Governor-General of the Union of South Africa‡ regarding the decision of the Supreme Court of Natal in the matter of Essa Jan Mahomed.

I am to enclose also a copy of a despatch§ which has been addressed to the Governor-General on the subject.

2. Mr. Montagu will no doubt agree that in the circumstances further action is unnecessary.

I am, &c.,

HENRY LAMBERT.

* No. 124.

† No. 123.

‡ Nos. 124 and 125.

§ No. 126.

(G) Miscellaneous.

50428

No. 128.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 13th October, 1917.)

[Duplicate to India Office, 19th October, 1917. L.F.]

(No. 783.)

SIR, Governor-General's Office, Pretoria, 11th September, 1917.

I HAVE the honour to transmit to you herewith, with reference to your despatch No. 252, of the 21st April,* copy of a minute from Ministers (with copies of certificates), dated 10th September, and of a despatch to the Viceroy of India, dated 11th September, on the subject of the grant of passports to India.

I have, &c.,

BUXTON,

Governor-General.

Enclosure 1 in No. 128.

MINUTE 1468.

Prime Minister's Office, Pretoria, 10th September, 1917.

WITH reference to His Excellency the Governor-General's minute No. 9/133/90, dated 6th June, 1917, transmitting despatch from the Right Honourable the Secretary of State for the Colonies on the subject of the grant of passports and visas to India, Ministers have the honour to state that passports are now being issued to all persons (including Indians) travelling to India from the Union.

In this connexion Ministers would, however, point out that, as passports are valid for a period of two years and may be extended by competent authority for further periods, the present general issue of such documents to Indians by the Union Government conflicts with the period of availability of three years for which certificates of identity under the Immigrants Regulation Act No. 22/1913, and the regulations thereunder, are given to Indians. These certificates are issued to Indians lawfully resident in the Union, who, desiring to proceed thereout with the intention of returning thereto, are for any reason apprehensive that they will be unable to prove on their return that they are not prohibited immigrants—*vide* section 25 (2) of the Act and No. 20 (1) of the regulations above mentioned.

Ministers would therefore request that His Excellency the Governor-General will be good enough to make representations to the Government of India with a view to the issue of passports by the Union Government being dispensed with in the case of Indians wishing to visit India, and that, in lieu thereof, the Government of India accept the certificates of identity above referred to and registration certificates issued to Asiatics under the Asiatics Registration Amendment Act No. 36/1908 (Transvaal). Such certificates contain means of identification such as description and thumb prints of the holder, which would doubtless prove sufficient for the purposes of the Government of India, but, if further identification is thought to be essential, it would be arranged that the certificates should in all cases also bear the holder's photograph. The form of the certificates of identity is published under Government Notice No. 1221, dated 23rd July, 1914, and the form of the certificate of registration is set forth in the schedule to the Act 36/1908 above mentioned.

Ministers would point out that it is desired that the above-mentioned certificates of identity and registration certificates only, and no other certificates or documents that may be presented by Indians issued under any South African immigration or other law or regulations, be accepted by the authorities at India, if the request in the third paragraph of this minute is concurred in by the Government of India.

* No. 12.

It is further desired that, in the cases of Indians to whom passports to visit India are being, and have been, issued, the Government of India be requested to be good enough not to extend such passports for more than one year beyond the original two years, thus making their total period of availability coincide with the period of three years for which the certificates of identity are issued.

It is desired that if possible the reply of the Government of India be sent by cable.

N. J. DE WET.

SCHEDULE TO ACT 36/1908.

Transvaal Asiatic Registration Certificate.

Name in full
Race Age Height
Description

Right thumb
impression.

Registrar of Asiatics.

Date of issue

Holder's signature

Name of wife Residence

Sons and Male Wards under the age of 16 years.

Names.	Age.	Residence.	Relationship to Guardian.

No alterations or endorsements are to be made on the face of this certificate except by the Registrar of Asiatics.

FIFTH ANNEXURE TO REGULATIONS UNDER ACT 22/1913.

Certificate of Identity—Fee, Two Shillings and Sixpence.

It is certified that having appeared before for the purpose of supplying the means of identification which are now specified herein and having intimated that he/she is about to absent himself/herself from the Province of for a period of on a visit to this document is issued to the said and, subject to the conditions enumerated below, and to the verification of the marks of identification, will be accepted by the examining immigration officer without further evidence as proof of the identity of the said on his/her return.

Immigration Officer in charge.

Date.....
Place.....

Conditions under which this certificate is issued.

1. That on the return of the person referred to herein to the Province ofthis certificate shall be surrendered to the examining immigration officer.
2. That if the person referred to herein seeks to re-enter the Province ofafter a period of three years has elapsed from the date hereof, the protection afforded by this certificate shall be deemed to have lapsed, and he/she shall be required to satisfy the requirements of the Act.
3. This certificate may be held to be invalidated if the person named herein is shown to the immigration officer to have made a false declaration in a material point when applying for a certificate.

Identification marks:—

.....

.....

Enclosure 2 in No. 128.

(No. 9/133/90.)

My LORD, Governor-General's Office, Pretoria, 11th September, 1917.
 WITH reference to a notice issued by the India Office, dated 13th April, relative to passports for India, I have the honour to transmit to your Excellency the accompanying copy of a minute from my Ministers, to which is attached copies of the certificates mentioned in the third paragraph.

I would be glad if, in accordance with the request contained in the last paragraph of this minute, the decision of the Indian Government may be conveyed to me by telegraph.

I have, &c.,
 BUXTON,
 Governor-General.

His Excellency
 The Right Honourable
 Lord Chelmsford,
 G.M.S.L., G.M.I.E., G.C.M.G.,
 Viceroy and Governor-General of India,
 Delhi.

62954

No. 129.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 2nd January, 1918.)

TELEGRAM.

[Answered by No. 132.]

A. S. SORABJI, formerly known as Sorabji Shapurji Adajania, has applied for passport to Union South Africa. Stated on his behalf: first, he has certificate of statutory domicile Natal; second, after several periods imprisonment, Transvaal, as passive resister, granted right to reside Transvaal so long as domicile retained there in connexion with 1911 settlement; third, after he left Transvaal for Europe formal authority to reside Transvaal was issued to him by Department of Interior, but was returned to Pretoria on understanding that it would be reissued to him when desiring again take up residence. Has been called to Bar here, and wishes to return to Transvaal practise as solicitor. May passport be issued?—LONG.

62954

No. 130.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 2nd January, 1918.)

TELEGRAM.

[Answered by No. 133.]

(Paraphrase.)

SECRET. With reference to my code telegram of to-day,* Sorabji was refused passport in consequence of reply received by Intelligence Department, War Office, to a telegram sent direct to link officer in South Africa. Statements contained in my telegram were submitted by Polak, who has represented case to me as involving breach of settlement of 1914. It is not clear whether when War Office were advised that Sorabji would not be allowed to re-enter South Africa all the facts of the case had been considered.—LONG.

3559

No. 131.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 21st January, 1918.)

[Duplicate to India Office, 25th January, 1918. L.F.]

(No. 1002.)

SIR, Governor-General's Office, Pretoria, 5th December, 1917.
 I HAVE the honour to transmit to you herewith, with reference to my despatch No. 783, of the 11th September,† copy of telegraphic correspondence with the Viceroy of India, on the subject of the grant of passports and visas to India.

I have, &c.,
 BUXTON,
 Governor-General.

Enclosure 1 in No. 131.

THE GOVERNOR-GENERAL, PRETORIA, to THE VICEROY OF INDIA.

TELEGRAM.

1ST NOVEMBER, 1917. ANXIOUS for reply to my despatch of 11th September, 9/133/90. Ministers inquire whether the Government of India insists upon photographs being furnished, irrespective of caste, by all Indians applying for passports, both in respect of males and females, and particularly in regard to the latter.—BUXTON.

Enclosure 2 in No. 131.

THE VICEROY, DELHI, to THE GOVERNOR-GENERAL, PRETORIA.

TELEGRAM.

10TH NOVEMBER, 1917. 1779G. Your telegram 1st November. Photographs essential on all passports to India irrespective of caste or sex. Reply to your despatch of 11th September will be sent as soon as possible.

Enclosure 3 in No. 131.

THE VICEROY OF INDIA, SIMLA, to THE GOVERNOR-GENERAL, PRETORIA.

TELEGRAM.

4TH DECEMBER, 1917. 232 G.S. Your despatch of 11th September, No. 9/133/90. Paragraph 3 of minute: proposals accepted, certificates should bear photographs. Paragraph 4: I cannot refuse to accept passports that comply with our regulations, but presume that these will not in future be issued by you in such cases. On this understanding I agree. Paragraph 5: requests will be complied with.

8461

No. 132.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 16th February, 1918.)

TELEGRAM.

16TH FEBRUARY. Your telegram 2nd January.* Ministers have no objection to the issue of passport to South Africa to Sorabji.—BUXTON.

8592

No. 133.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 16th February, 1918.)

TELEGRAM.

(Paraphrase.)

Your telegram, 2nd January, Secret,† and my code telegram of to-day.‡ At the time link officer investigated case it was not known that a special letter of exemption had been issued in favour of Sorabji as an educated entrant to the Transvaal Province.—BUXTON.

18273

No. 134.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 15th April, 1918.)

[Copy to India Office, 22nd April, 1918. L.F.]

(No. 112.)

SIR, Governor-General's Office, Cape Town, 20th February, 1918.
WITH reference to my despatches, No. 783 of the 11th September, and No. 1002 of the 5th December,§ I have the honour to transmit to you the accompanying letter addressed to the Secretary of State for India by the Chairman of the Transvaal British Indian Association.

2. I am referring a copy of the letter to my Ministers for their observations.

I have, &c.,

BUXTON,

Governor-General.

Enclosure in No. 134.

THE TRANSVAAL BRITISH INDIAN ASSOCIATION,

P.O. Box 6522, Johannesburg,
9th February, 1918.

SIR,

My Committee direct me to forward, for your consideration, the following statements of facts and representations by the community my Committee represents.

As you are doubtless aware, Indians resident in this Province are by law compelled to carry registration certificates. These documents contain very distinctive particulars of identification, including the right thumb impression of the holder.

Prior to the present War Indians returning to their Motherland on a visit required no passport or other document of identification. On their return to the Transvaal they might be required to produce their registration certificates, which, in terms of the law, are their warrant of right of entry and residence.

Since the outbreak of the present War Indians visiting the Motherland found that they were required to apply, at first, for a passport containing very full particulars of identification, including the photograph of the holder. Although the taking of such passports involved some trouble and also some expense, the community in general readily fell in with the requirement.

* No. 129.

† No. 130.

‡ No. 132.

§ Nos. 128 and 131.

Subsequently, however, a new type of form was submitted for completion by Indians returning home on a visit. This latter form contained certain clauses to which my Association took exception, chiefly on the ground that the said clauses appeared to impose conditions restricting the rights conferred by the taking out of the Asiatic registration certificate.

Protest was made accordingly to the Union Government, under the impression that a subtle attempt was being made to impose further restrictions, e.g., to compel return to the Transvaal within a limited period, failing which the absentee might have opened up the whole question of his right to re-enter and reside in this Province.

My Committee was astonished to learn that this new form originated with the Government of India, and that the Union Government was simply complying with the requirements of Indian Government.

My Committee was informed that the Union Government was, for its part, satisfied with the measure of identification comprised in the Asiatic registration certificate issued by it in terms of the law, but that the Government of India were not any longer requiring passports to be taken, but insisted upon what is styled a certificate of identification, containing very full personal particulars and having affixed a photograph of holder. Alternatively, so my Committee was informed, the Government of India required a photograph of the returning or visiting Indian to be affixed to his Asiatic registration certificate.

As you will probably be aware, the photograph as a form of identification has been consistently objected to by a large section of the community. This objection is particularly strong in the case of Indians professing Mahomedanism.

My Committee feels and submits very strongly that, seeing that the Asiatic registration certificate is found to be sufficient as a passport by the exclusive Government of the Union and the immigration authorities of this Province, it should be at least as effective as a check upon Indians returning to their own native land, and as good a proof of their identity and nationality. Any danger that might be feared of such registration certificates getting into wrong hands is easily guarded against by the fact that the certificates bear both the signature and thumb impression, as well as the name, height, and personal peculiarities of the lawful holder.

In view of the foregoing, I am directed to represent that the requirements of the Government of India appear to be unnecessarily severe, and that they involve inconvenience, delay, and expense, as well as being offensive, particularly in the matter of photographs, to a large and important section of the community.

My Committee further direct me to express the hope that you will use your powerful influence to get the present requirements dispensed with.

I have, &c.,

A. MCACHALIA,
Chairman.

The Secretary of State,
India Office,
London, S.W.

21444

No. 135.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1st May, 1918.)

[Copy to India Office, 4th May, 1918. L.F.]

[Answered by No. 137.]

(No. 214.)

SIR, Governor-General's Office, Cape Town, 28th March, 1918.
I HAVE the honour to transmit to you herewith, with reference to my despatch No. 112, of the 20th February,* the accompanying copy of a minute from my Ministers regarding the issue of certificates of identity to Indians travelling to India.

* No. 134.

2. The minute of the 6th June referred to by Ministers forwarded a copy of your despatch No. 252, of the 21st April.*

3. The correspondence subsequently referred to by Ministers was communicated to you with my despatches No. 783 of the 11th September, and No. 1002 of the 5th December.†

4. The expense of these passports is less now, because no passport fee of 5s is payable under the new arrangement, the only expense being the fee of 2s. 6d. charged for the certificate of identity.

5. If a registration certificate with photograph attached is carried no fee is payable at all.

I have, &c.,
BUXTON,
Governor-General.

Enclosure in No. 135.

(27/24/146.)

MINUTE 384.

Prime Minister's Office, Cape Town, 12th March, 1918.

WITH reference to His Excellency the Governor-General's minute No. 9/133/90, dated 20th February, 1918, relative to the issue of certificates of identity to Indians travelling to India, Ministers have the honour to refer to His Excellency's minute No. 9/133/90, dated 6th June, 1917, transmitting a notice issued by the Secretary of State for India intimating that no person over fifteen years of age would be permitted to land in India unless in possession of a valid passport, and to state that, in consequence, all persons (including Indians) proceeding to India from their Union were required to take out passports. By arrangement, however, with the Government of India, *vide* Minister's minute No. 1468, dated 10th September, 1917, and His Excellency's minute No. 9/133/90, of 5th December, 1917, the issue of passports by the Union Government to Indians was discontinued, the Government of India having agreed to accept, in lieu thereof, certificates of identity and/or registration certificates (Transvaal), provided that such certificates bore photographs in addition to the description of the holder. These certificates, without photographs, are provided for under section 25 (2) of the Immigrants Regulation Act, No. 22/1913, and No. 21 of the regulations thereunder, and under the Asiatics Registration Amendment Act, No. 36/1908 (Transvaal), respectively, and were, prior to the change of procedure, carried, in addition to a passport, by Indians proceeding to India.

Ministers would also refer to His Excellency's minute No. 9/133/90, dated 12th November, 1917, wherein the Viceroy of India notified that photographs are essential on all passports to India, irrespective of caste or sex.

In the fourth paragraph of the letter from the Chairman of the Transvaal British Indian Association it is stated that the community in general readily fell in with passport requirements, and, as these requirements included the furnishing of photographs, the present objection would not appear to be well founded.

With regard to the statement of the Association that the present requirements are unnecessarily severe, and involve inconvenience, delay and expense, Ministers would point out that the new arrangement is less severe, the expense is not so great, and that there need be no delay where the case is *bona fide* and the ordinary requirements of Government are met in a reasonable manner by members of the Asiatic community.

LOUIS BOTHA.

* No. 12.

† Nos. 128 and 131.

27624

No. 136.

INDIA OFFICE to COLONIAL OFFICE.

(Received 7th June, 1918.)

SIR,

India Office, 6th June, 1918.

I AM directed by the Secretary of State for India in Council to transmit to you, for the information of Mr. Secretary Long, paraphrase of a telegram from Secretary of State to Government of India, dated 28th May, 1918, and paraphrase of a telegram from Government of India (Foreign Department), dated 1st June, 1918, on the subject of photographs on certificates of registration and identification held by Indian pardanashin women returning to India from South Africa.

I am, &c.,

T. W. HOLDERNESS.

Reference to previous correspondence: Letter from the India Office of the 30th May.* Memorandum from the Colonial Office,† No. 21444, dated 4th May.

(Copy also sent to Foreign Office.)

Enclosure 1 in No. 136.

SECRETARY OF STATE to VICEROY, FOREIGN DEPARTMENT, 28th MAY, 1918.

P.—PASSPORTS. Secret. With reference to your telegram of 3rd May. Would you agree also, in case of certificates of identity or registration in South Africa held by pardanashin women, to dispense with photographs?

Enclosure 2 in No. 136.

PARAPHRASE OF TELEGRAM, VICEROY, FOREIGN DEPARTMENT, to
THE SECRETARY OF STATE FOR INDIA, DATED 1ST JUNE, 1918.

P.—PARDANASHIN WOMEN. Your secret telegram of 28th ultimo. We agree.

27624

No. 137.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 2.10 p.m., 22nd July, 1918.)

[Copy to India Office, 24th July, 1918. L.F.]

TELEGRAM.

YOUR despatch 28th March, No. 214.‡ Government of India has agreed to dispense with requirement of photographs on certificates of registration and identity of Indian pardanashin ladies travelling to India from Union of South Africa.—LONG.

47237

No. 138.

THE HIGH COMMISSIONER FOR SOUTH AFRICA to THE SECRETARY OF STATE.

(Received 1st October, 1918.)

[Copy to India Office, 23rd October, 1918. L.F.]

(Southern Rhodesia. No. 421.)

High Commissioner's Office, Pretoria.

SIR,

6th August, 1918.

I HAVE the honour to enclose, for your information, a copy of correspondence on the subject of an application by W. N. Baboo Singh, an Indian, of Gatooma, for permission to enter the Transvaal.

I have, &c.,

BUXTON,
High Commissioner.

*26588: not printed.

† L.F. transmitting copy of No. 135.

‡ No. 135.

Schedule of Enclosures.

- 1.—14th May, 1918. Letter from W. N. Baboo Singh.
- 2.—19th June, 1918. Letter to Secretary to Governor-General.
- 3.—5th July, 1918. Minute No. 1117, from Union Ministers.
- 4.—11th July, 1918. Letter to Secretary to Governor-General.
- 5.—23rd July, 1918. Minute No. 1221, from Union Ministers.
- 6.—3rd August, 1918. Despatch No. 1042, to Resident Commissioner, Salisbury.

Enclosure 1 in No. 138.

P.O. Box 27, Gatooma, Southern Rhodesia,
14th May, 1918.

DEAR SIR,

I BEG to ask your most kind assistance in granting to me the following request.

I am an Indian (Hindoo), born in Bulawayo, and educated here also.

My mother was born in Johannesburg, and my uncle and other relations are all residing up to this date in the Transvaal. My mother came to Rhodesia in the year 1898; during that time I was born in Bulawayo, Rhodesia. I presume that my parents have visited Johannesburg about the year 1907. The permit was issued to my father as resident, father's name, son, and wife. Such permit I propose my father has in possession.

Sir, it's now nearly twenty years. I am all the time in Rhodesia. I would be glad to visit my people in Johannesburg and elsewhere; furthermore, I would like to visit other countries. I am well educated and sober; I have also good references from prominent people here; also I haven't done anything against the law up to this day. I am positive that every gentleman who knows me can recommend me that I have been honest and am still honest. I visited Cape Town in August, 1917, and was doing work when I received letter from my uncle from Johannesburg asking me to come and visit them. When I went to the Immigration Officer at Cape Town for visiting permit to Johannesburg they questioned me to how and when I came into the Colony. I stated the truth and filled up the visiting [form], which was sent to Pretoria, and answer returned in due course saying they will not allow me to go to Johannesburg, also not to reside in the Colony.

Sir, I am asking you your protection, and if need be I can prove that I have a good character here in Rhodesia, also I am sure some respectful gentlemen in Cape Town can also recommend me. I wrote once or twice to Pretoria Immigration Officer, and they will not give me permission.

My dear Sir, I am well educated, and there are also Indians who come from India straight to Johannesburg, and elsewhere, and they are allowed to reside in the Union; why should it be refused to me when I am a South African born Indian? also my mother was born in Johannesburg; and also all our relations are residing there; only for us it should be a step without reason and barring us to visit our people, and perhaps remain in the birth-place of my mother. My uncle's name is Dookhee Teli, P.O. Box 4980, Johannesburg; and others are in different parts of Johannesburg.

Should you require to know if my character is good or bad, I think the Criminal Investigation Department of Bulawayo can give you best information, otherwise my schoolmaster, Reverend F. L. Hadfield, Intini Mission, Bulawayo, Rhodesia. There are dozens of other names; if it is necessary I would name them.

I hope and trust, my protector and helper, that you may overlook this matter and consider why should I not visit my people, and also my mother, but mostly myself. I am sure to get work in Johannesburg as clerk; I was offered in different places, but the Immigration Officers are not doing me justice. I leave this matter into your hands to do me justice.

Anxiously hoping to receive your most favourable reply at your earliest,

I remain, &c.,

W. N. BABOO SINGH.

The High Commissioner,
Pretoria,
Transvaal.

Enclosure 2 in No. 138.

(No. 1042.)

SIR, High Commissioner's Office, Pretoria, 19th June, 1918.
I AM directed by the High Commissioner to transmit to you a letter from W. N. Baboo Singh, an Indian, of Gatooma, who was born in Rhodesia, asking for assistance to enable him to enter the Transvaal for the purpose of visiting his relatives in Johannesburg, and endeavouring to secure work there.

I am also to enclose a copy of a letter from the Secretary, Department of No. 149: 10th June, 1918. Administrator, Salisbury, reporting on the character of the applicant.

His Excellency will be glad if the matter may be referred to Ministers for consideration of Baboo Singh's request.

I have, &c.,
H. J. STANLEY,
Acting Imperial Secretary.

The Secretary to
the Governor-General,
Pretoria.

(Resident Commissioner. No. 149.)

SIR, Department of Administrator, Salisbury, 10th June, 1918.
WITH reference to your letter No. 134, of 30th May, forwarding a copy of a despatch from the High Commissioner regarding an application by W. N. Baboo Singh, an Indian, of Gatooma, for assistance in obtaining a permit to enable him to travel to the Transvaal, I have the honour to inform you that the Commissioner of Police reports that Baboo Singh is "a man of excellent character and highly spoken of on all sides."

I return the enclosure to His Excellency's despatch.

I have, &c.,
J. ROBERTSON,
Secretary, Department of Administrator.

The Private Secretary to
His Honour
The Acting Resident Commissioner,
Salisbury.

Enclosure 3 in No. 138.

(Minute No. 1117.)

Prime Minister's Office, Pretoria, 5th July, 1918.
WITH reference to His Excellency the Governor-General's minute No. 15/904, dated 20th June, on the subject of the desire of W. N. Baboo Singh, an Indian, of Gatooma, to enter the Transvaal, Ministers have the honour to state that, in view of the provisions of the Immigrants Regulation Act, No. 22/1913, and of their policy not to add to the existing coloured and Asiatic population of the Union, they regret that they are unable to accede to this request.

LOUIS BOTHA.

Enclosure 4 in No. 138.

(No. 1042.)

SIR, High Commissioner's Office, Pretoria, 11th July, 1918.
I HAVE the honour to acknowledge the receipt of your letter No. 15/907, of the 8th instant, enclosing a copy of a Ministers' minute with reference to the application of W. N. Baboo Singh for permission to enter the Transvaal.

I am to inquire whether the objection felt by Ministers to adding to the existing Asiatic population of the Union would preclude the issue of a temporary permit to Baboo Singh under the provisions of section 25 (1) of Act No. 22 of 1913, in the event of his desiring only to visit his relatives in the Transvaal for a short period.

The Secretary
to the Governor-General,
Pretoria.

I have, &c.,
H. J. STANLEY,
Acting Imperial Secretary.

Enclosure 5 in No. 138.

(Minute No. 1221.)

Prime Minister's Office, Pretoria, 23rd July, 1918.

WITH reference to His Excellency the Governor-General's minute No. 15/909, of the 13th July, 1918, forwarding copy of letter dated 11th idem from the Acting Imperial Secretary, Pretoria, on the subject of an application by W. N. Baboo Singh for permission to enter the Transvaal, Ministers have the honour to state that their policy of not adding to the existing coloured and Asiatic population of the Union precludes them from approving of the issue of a temporary permit to Baboo Singh under the provisions of section 25 (1) of the Immigrants Regulation Act, 1913 (No. 22 of 1913), in the event of his desiring only to visit his relatives in the Transvaal for a short period.

Ministers would add that this attitude is necessary owing to the difficulty hitherto experienced in getting such people to leave the Union once admission has been secured.

LOUIS BOTHA.

Enclosure 6 in No. 138.

(Southern Rhodesia. No. 1042.)

Sir, High Commissioner's Office, Pretoria, 3rd August, 1918.

I HAVE the honour to acknowledge the receipt of your despatches, No. 210 of 14th June, and No. 258 of 25th July, respecting an application by W. N. Baboo Singh, an Indian, of Gatooma, for assistance in obtaining a permit to enable him to visit Johannesburg.

To Secretary to Governor-General No. 1042:
19th June, 1918.

From Ministers, No. 1117: 5th July, 1918.

To Secretary to Governor-General, No. 1042:
11th July, 1918.

From Ministers, No. 1221: 23rd July, 1918.

I enclose, for your information, a copy of correspondence which has passed with the Union Government upon the subject.

I shall be glad if Baboo Singh may be informed that this is a matter in which the decision rests with the Union Government; that his representations have been referred

to Union Ministers for their consideration, and that in reply they have expressed their regret that they are unable to accede to his request.

As regards the letter of 11th July, from the applicant's solicitor to your Private Secretary, a copy of which accompanied your despatch No. 258, of 25th July, I have to request that Mr. Holderness may be furnished with a copy of your letter in the above terms to Baboo Singh, and informed that his letter is being communicated to Union Ministers, but that the information which it conveys had in essentials been brought to their notice before their decision was reached, and that a reconsideration of their attitude can hardly, therefore, be anticipated. Mr. Holderness will be aware that the discretion exercisable under sections 4 (1) (a) and 25 (1) of the Immigrants Regulation Act, No. 22 of 1913, is vested in the Minister concerned.

I have, etc.,

BUXTON,
High Commissioner.

His Honour
The Resident Commissioner,
Salisbury.

48067

No. 139.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5th October, 1918.)

(Confidential.)

Sir, Governor-General's Office, Pretoria, 30th August, 1918.

I HAVE the honour to transmit to you herewith, with reference to my despatch Confidential of the 16th August, 1917,* the following documents, on the subject

* No. 49 in Dominions No. 63.

of the illicit immigration of Asiatics into the Union through Lourenço Marques:—
letter to the Governor-General of Mozambique, dated 4th July, 1918; letter from the Governor-General of Mozambique (translation), dated 14th August, 1918.

I have, &c.,

BUXTON,

Governor-General.

Enclosure 1 in No. 139.

(No. 15/903.)

YOUR EXCELLENCY,

Governor-General's Office, Pretoria, 4th July, 1918.

I HAVE the honour to invite Your Excellency's attention to my letter of the 16th August, 1917, relative to the illicit immigration of Indians into the Union via Portuguese territory, and would be gratified to learn the result of Your Excellency's consideration of the matter.

In this connexion I have been asked by the Union Government to bring to your notice the fact that four Indians, respectively named Valli Mahomed, Hussein Ebrahim, Abdool Kadir, and Kana Dayal, who were deported from Durban for India by the s.s. "Taroba" in January last, landed at Delagoa Bay. It is reported that they were subsequently accommodated in Hajee Sukoor Machumba, where there were about fifty immigrants waiting the opportunity of proceeding to the Union.

I should be obliged if Your Excellency would be so good as to cause this matter to be investigated.

I avail myself, &c.,

BUXTON,

Governor-General.

His Excellency

The Governor-General of Mozambique.

Lourenço Marques.

Enclosure 2 in No. 139.

Translation.

Governor-General of the
Province of Mozambique.

Secretariat General.

Department 1^a.

(No. 687/1935.)

YOUR EXCELLENCY,

I HAVE the honour to acknowledge the receipt of your letter of the 4th ultimo, in which you call the attention of this Government to a previous letter, dated 16th August, 1917, relative to the illicit immigration of Indians into the Union through Portuguese territory. I wish to assure Your Excellency that precise directions have been given for the investigation of the facts which you were good enough to bring to my notice.

With regard to the suggestion made in Your Excellency's letter of the 16th August, 1917, as to the promulgation of a new regulation or the introduction into the present regulations of a clause applying penalties to anyone who might be an accessory to illicit immigration into the Union, His Excellency the Governor-General on his return from north of the Province will take this matter into consideration with all the care and interest which is invariably shown to communications from Your Excellency.

Health and fraternity!

Office of the Governor-General, Lourenço Marques,
14th August, 1918.

DOMINGOS FRIAS.

To the Governor-General of the
Union of South Africa,
Pretoria.

51123

No. 140.

THE HIGH COMMISSIONER FOR SOUTH AFRICA TO THE SECRETARY
OF STATE.

(Received 23rd October, 1918.)

[Copy to India Office, 29th October, 1918. L.F.]

(Southern Rhodesia. No. 520.)

High Commissioner's Office, Pretoria,
5th September, 1918.

SIR, WITH reference to my despatch No. 421, of 6th August,* I have the honour to enclose, for your information, a copy of despatch, No. 1042, to Resident Commissioner, Salisbury, dated 5th September, 1918, on the subject of the application by W. N. Baboo Singh, an Indian, of Gatooma, for permission to enter the Transvaal.

I have, &c.,

BUXTON,
High Commissioner.

Enclosure in No. 140.

(Southern Rhodesia. No. 1042.)

High Commissioner's Office, Pretoria,
5th September, 1918.

SIR, WITH reference to my despatch No. 1042, of 3rd August, relative to an application by W. N. Baboo Singh, an Indian, of Gatooma, for assistance in obtaining a permit to enable him to visit Johannesburg, I have the honour to inform you that Union Ministers have now intimated that they have nothing to add to their minutes of the 5th and 23rd July on the subject.

You should, therefore, inform Mr. Holderness that his letter of 11th July has been referred to Union Ministers, but that they have been unable to alter their previous decision.

I have, &c.,

BUXTON,
High Commissioner.

His Honour
The Resident Commissioner,
Salisbury.

4315

No. 141.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 20th January, 1919.)

[Copy to India Office and Foreign Office, 17th February, 1919. L.F.]

(No. 905.)

SIR, Governor-General's Office, Pretoria, 6th December, 1918.

I HAVE the honour to transmit to you herewith a copy of telegraphic correspondence with His Majesty's Consul-General at Yokohama, on the subject of the admission of two representatives of the Masuda Trading Company of Japan to South Africa.

I have, &c.,

BUXTON,
Governor-General.

* No. 139

Enclosure 1 in No. 141.

HIS MAJESTY'S CONSUL-GENERAL, YOKOHAMA, TO GOVERNOR-GENERAL, PRETORIA.

TELEGRAM.

27TH AUGUST, 1918. Masuda Trading Company desires despatch two employees, K. Oyama and S. Matsubara, to South Africa to purchase carbonate of soda through South African Alkali Company, Johannesburg. Have you any objection?

Enclosure 2 in No. 141.

THE GOVERNOR-GENERAL, PRETORIA, TO HIS MAJESTY'S CONSUL-GENERAL,
YOKOHAMA.

TELEGRAM.

2ND OCTOBER, 1918. Your telegram 27th August. Oyama and Matsubara will be admitted on temporary permits if they first obtain recommendation of Japanese Vice-Consul, Cape Town. Should be glad to know expected date of arrival in Union and port of disembarkation. Latter should be Cape Town or Durban and not Delagoa Bay.

Enclosure 3 in No. 141.

HIS MAJESTY'S CONSUL-GENERAL, YOKOHAMA, TO THE GOVERNOR-GENERAL, PRETORIA.

TELEGRAM.

22ND OCTOBER, 1918. Your telegram of 3rd October. Oyama and Matsubara will embark for Cape Town, former 31st October, latter 20th November.

4341

No. 142.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 20th January, 1919.)

[Copy to India Office and Foreign Office, 17th February, 1919. L.F.]

(Confidential.)

SIR, Governor-General's Office, Pretoria, 6th December, 1918.

WITH reference to my despatch No. 905, of this date,* I have the honour to enclose a copy of the minute from my Ministers upon which the telegram of the 2nd October to His Majesty's Consul-General at Yokohama was based.

2. Upon the receipt of this minute I caused the attention of the Department concerned to be drawn to the terms of your Confidential despatch of the 9th August, 1917,† and an inquiry to be made as to the nature of the arrangement which appeared to have been entered into by the Union Government with the Japanese Vice-Consul.

3. I understand that about two or three years ago the Department of the Interior agreed with the Japanese Consul at Cape Town to allow the conditional entry of Japanese immigrants to the Union on temporary permit, provided that such immigrants were able to comply with the provisions of the immigration laws respecting the educational test and money deposits. These temporary permits were for specific periods, and were in each case granted on the recommendation of the Japanese Consul. Steps were taken to ensure that the conditions attached to the permits were adhered to, and that undue advantage was not taken of the privilege.

4. As I informed you in my despatch No. 526, of 30th June, 1917,‡ Ministers contemplated going beyond this arrangement, but I gather that upon the receipt of your despatch Confidential of the 9th August, 1917, the intention was abandoned and the practice previously in force was continued.

* No. 141.

† No. 47 in Dominions No. 63.

‡ No. 44 in Dominions No. 63.

5. I am informed that up to the end of September eight temporary permits had been issued during 1918 to Japanese subjects. As you are aware, thirty educated British Indians are admitted yearly.

I have, &c.,
 BUXTON,
 Governor-General.

Enclosure in No. 142.

Prime Minister's Office, Pretoria, 9th September, 1918.

(1/244/73.)

MINUTE 1461.

With reference to His Excellency the Governor-General's minute No. 62/1033, dated 28th August, 1918, on the subject of the desire of the Masuda Trading Company to send two of their employees, named K. Oyama and S. Matsubara, to South Africa from Japan to purchase carbonate of soda, Ministers have the honour to state that there would be no objection to the admission, on temporary permit, under the Immigration Regulations, of these two men, subject to the recommendation of the Japanese Vice-Consul, Cape Town, first being obtained, in terms of an arrangement with him.

Ministers would also be glad to be furnished with the name of the port and expected date of arrival in the Union of Messrs. Oyama and Matsubara, and to state that it is desired, if possible, they should land at the port of Cape Town or Durban, and not enter via Delagoa Bay.

N. J. DE WET.

CO 486/8/8

CONFIDENTIAL.

NAVAL, MILITARY, AND AIR DEFENCE.

CORRESPONDENCE WITH THE SELF-
GOVERNING DOMINIONS, 1916-1920.

(In continuation of Dominions No. 52: continued by Dominions No. 82.)

August, 1921.

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RESOLUTION I.—DEMOBILIZATION.

1	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 519 Confidential	1917	Transmits extracts from the proceedings of the Imperial War Conference on the subject of the demobilization of the Dominions Contingents.	1
			August 9		

RESOLUTION II.—UNIFORMITY OF EQUIPMENT.

RESOLUTION III.—TRAINING OF ORDNANCE PERSONNEL.

2	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 491 Confidential	1917	Sends copies of proceedings of Imperial War Conference on the subject of military stores and equipment and of the training of Ordnance personnel of the Imperial Forces throughout the Empire, and states that the Army Council is being communicated with as to the action needed to give effect to the two resolutions passed by the Conference.	2
			July 30		
3	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 630 Confidential	October 2	States the arrangement which the Army Council is prepared to make with regard to the training of Dominion Ordnance officers during the War, and remarks upon the steps to be taken in future.	2
4	The Governor-General	New Zealand Confidential	1918 March 9 (Rec. May 10.)	States that Government concur in proposal in No. 3 and indicates the action which is being taken.	3

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
5	To the Governors-General	Canada, Commonwealth of Australia, New Zealand, Union of South Africa Telegram	October 22	States that War Office now propose to appoint a Military Equipment Committee under chairmanship of Sir R. Whigham; quotes terms of reference and invites Ministers to nominate representative.	4
6	To the Governor ...	Newfoundland Telegram	October 30	Ditto.	4
7	The Governor-General	Union of South Africa Telegram	October 31 (Rec. Nov. 1.)	States that the Union representative on the Military Equipment Committee will be nominated through the High Commissioner in London to whom cable was despatched on the 28th October.	5
8	Ditto ...	New Zealand Telegram	November 15 (Rec. Nov. 15.)	States that as the Government have already agreed to standardize with the Imperial Government with regard to Army matters, it is not considered necessary to nominate a special representative on the proposed Equipment Committee.	5
9	Ditto ...	Commonwealth of Australia Telegram	November 21 (Rec. Nov. 21.)	Notifies nomination of Brig.-General Jess as Australian representative on the Military Equipment Committee.	5
10	Ditto ...	Canada 860	December 5 (Rec. Dec. 20.)	Transmits copy of an approved Privy Council Minute appointing Lieut.-Colonel J. M. Prower as Canadian representative on the Military Equipment Committee.	5
1920					
11	To the Governors-General and Governor	Canada 25 Commonwealth of Australia 10 New Zealand 6 Union of South Africa 11 Newfoundland 5	January 7	Transmits, to be laid before Ministers, copy of amended terms of reference of the Equipment Committee; assumes Newfoundland does not desire to appoint a representative.	6
12	The Governor ...	Newfoundland 27	March 2 (Rec. March 22.)	States that the assumption that Ministers do not desire to appoint a representative on the Military Equipment Committee is correct.	7
13	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 295	July 27	Transmits copy of the report of the Military Equipment Committee and states that the Army Council desire that no executive action shall be taken thereon for the present; states that the Army Council is about to establish a Standing Committee to consider certain sections of the report, and inquires whether the Dominions wish to appoint representatives to serve as Associate Members.	7

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
14	The Governor-General	Canada 590	August 19 (Rec. Sept. 3.)	In reply to No. 13 reports the appointment of Lieut.-Col. T. V. Anderson, at present attending the Camberley Staff College, as Canadian representative on the Committee until the end of December, 1920, after which another officer at the Staff College will be nominated.	8
15	The Governor ...	Newfoundland 156	September 15 (Rec. Oct. 4.)	States, in reply to No. 13, that Ministers do not wish to appoint a representative.	8
16	The Acting Governor-General	Union of South Africa 688	October 6 (Rec. Oct. 26.)	Transmits, with reference to No. 13, copy of a Minute from Ministers stating that they do not consider the appointment of a Union representative necessary.	8
17	The Governor-General	New Zealand 157	October 1 (Rec. Nov. 24.)	States, in reply to No. 13, that his Government cannot nominate a representative as there is no New Zealand officer available in England.	9
18	Ditto ...	Commonwealth of Australia 474	December 31, 1920 (Rec. Feb. 17, 1921.)	States, in reply to No. 13, that the Commonwealth Government desires to appoint an associate member of the Committee, and nominates Lieut.-Col. P. N. Buckley as its representative.	9

RESOLUTION IV.—NAVAL DEFENCE.

1917					
18	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 506 Confidential	August 8	Sends copies of Imperial War Conference proceedings relative to naval defence; states that Conference Resolution has been communicated to the Admiralty.	10
1918					
20	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Secret	October 16	Transmits Admiralty memorandum on Naval Defence, and a letter from Sir R. Borden enclosing a memorandum on the subject.	10
1919					
21	To the Governors-General	Canada, Commonwealth of Australia, New Zealand Secret	January 3	Transmits copy of Admiralty Instructions drawn up for Admiral Jellicoe in connexion with his visit to Canada, Australia and New Zealand to advise on naval matters.	11

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
22	To the Governor-General	Union of South Africa Secret	January 11	Requests him to inform Ministers that Admiral Jellicoe has been deputed to visit Canada, Australia and New Zealand to advise on naval matters; encloses copy of Admiralty instructions; states that General Botha has expressed the hope that Admiral Jellicoe will visit South Africa.	12
23	To the Governors-General	Canada, Commonwealth of Australia, New Zealand, Union of South Africa Telegram	February 22	Sends approximate dates of Lord Jellicoe's tour to the Dominions.	12
24	Ditto	Canada 74 Commonwealth of Australia 87 New Zealand 36 Union of South Africa 80	February 28	Transmits copy of proposed itinerary of Admiral Jellicoe's tour in H.M.S. "New Zealand."	13
25	To the Governor ...	Newfoundland 20	February 28	Transmits copy of proposed itinerary of Admiral Jellicoe's tour.	14
26	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 246	April 3	Transmits copy of an amended programme of Admiral Jellicoe's tour.	14
27	The Governor-General	Union of South Africa Telegram	October 20 (Rec. Oct. 22)	States that Lord Jellicoe will be welcome, but requests that he should arrive about the end of February in preference to the beginning of the month; asks to be informed as to date.	15
28	Ditto ...	Commonwealth of Australia 282	September 5 (Rec. Oct. 21)	States that Lord Jellicoe has made his report as regards the Commonwealth and that it is receiving the attention of Ministers.	16
29	To the Governor-General	Union of South Africa Telegram	November 14	States, in reply to No. 27, that on grounds of expense Admiralty prefer that present proposed date of arrival shall stand unless seriously inconvenient to Union Government.	16
30	The Governor-General	Union of South Africa Telegram	November 26 (Rec. Nov. 30)	Notes that Lord Jellicoe will arrive on 7th February and will arrange accordingly.	16

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
31	The Governor-General	Commonwealth of Australia 363	November 19, 1919 (Rec. Jan. 5, 1920)	States that Admiral Jellicoe's Report on the naval defence of Australia was presented to both Houses of the Parliament of the Commonwealth on 21st October, 1919.	17
32	To the Governors-General	Canada 65 Union of South Africa 58	January 28-29	Transmits copy of Admiral Jellicoe's Report on the naval defence of Australia.	17
39	The Governor-General	New Zealand Telegram (Extract)	(Rec. Feb. 20)	Indicates the extent to which the New Zealand Government is prepared to adopt Lord Jellicoe's Report.	17
34	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 79 Secret	February 23	Transmits, for observation of Ministers, copy of a letter from Admiralty suggesting that a discussion should take place at the next Imperial Conference on Lord Jellicoe's Reports on naval defence.	18
35	The Governor-General	Commonwealth of Australia Telegram	(Rec. Apr. 21)	Inquires whether Admiralty propose to station three vessels of the "Lion" class, in the near future, in Far East waters.	19
36	The Governor ...	Newfoundland Secret	April 1 (Rec. Apr. 26)	States that the Prime Minister concurs in proposal in No. 34; he further suggests that Newfoundland should receive special consideration in view of her favourable position for a naval base.	19
37	The Administrator	Canada 258	April 21 (Rec. May 8)	Transmits copies of Lord Jellicoe's report on his mission to Canada, and states that copies are being sent direct to Australia and New Zealand.	19
38	To the Governor- ...	Newfoundland 46	May 11	Transmits copy of Lord Jellicoe's reports on the naval defence of Canada, Australia, and New Zealand.	20
39	To the Governor-General	Commonwealth of Australia Telegram	May 14	States, in reply to No. 35, that Admiralty does not intend to station battle cruisers in the Far East in immediate future.	20
40	The Governor-General	Union of South Africa Secret	May 10 (Rec. June 1)	Transmits Minute from Ministers stating that they are unable to formulate views as to naval co-operation by the Union in the absence of expert naval advice.	20
41	Ditto ...	Commonwealth of Australia Telegram	(Rec. July 3)	Transmits message from Prime Minister explaining that Government is not in a position to formulate a defence scheme and requesting views of British Government and Admiralty on the Imperial Defence policy for the Pacific.	21

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
42	The Governor-General	Commonwealth of Australia Secret	June 1 (Rec. July 8)	Requests that Admiralty may be asked to consider the question of the supply of stores to the Far Eastern Fleet in time of war so that arrangements may be made in Australia to meet Admiralty wishes.	21
43	Ditto ...	New Zealand Secret	May 27 (Rec. July 20)	States that his Government agrees that the next Imperial Conference would be a suitable opportunity for the discussion of Lord Jellicoe's reports.	22
44	Ditto ...	Commonwealth of Australia Telegram	(Rec. Aug. 7)	States that for reasons given Prime Minister is pressing for a reply to No. 41.	22
45	To the Governor-General	Commonwealth of Australia Telegram	August 18	Indicates the position with regard to naval defence in Canada, New Zealand and Union of South Africa, and, pending discussion at Imperial Conference, conveys Admiralty suggestions as regards utilization for naval purposes of moneys made available by Commonwealth Parliament.	22
46	The Governor-General	Commonwealth of Australia Telegram	(Rec. Sept. 28)	Reports the allocation of the Australian Navy in view of the need for retrenchment.	23
47	Ditto ...	Canada Telegram	October 28 (Rec. 23 Oct.)	States, with reference to No. 34, that Government consider that the discussion of the question of Dominion naval co-operation at the next Imperial Conference would be appropriate.	24

RESOLUTION XIV.—PRODUCTION OF MUNITIONS, ETC.

1917					
48	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 631 Confidential	October 3	Transmits, to be laid before Ministers, copies of resolution of the Imperial War Conference relative to the development of the production of military material, etc., in all important parts of the Empire.	25

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
RESOLUTION XXIV.—TEMPTATIONS OF OVERSEA SOLDIERS.					
1917					
49	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 684 Confidential	October 19	Transmits revised copies of Imperial War Conference proceedings dealing with question of temptations of oversea soldiers; states measures taken to check the spread of venereal diseases; requests suggestions of Ministers.	26
1918					
50	Ditto ..	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	March 27	Reports enactment of new Defence of the Realm Regulation to prevent spread of venereal disease in His Majesty's forces.	28
51	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 213 Confidential	April 10	Transmits copies of a Defence of the Realm Regulation referred to in No. 50.	29
52	The Governor-General	New Zealand Telegram	(Rec. June 5)	States that Acting Prime Minister suggests the segregation of infected women.	30
53	Ditto ...	New Zealand Telegram	(Rec. June 18)	States that the Acting Prime Minister urges that Defence of the Realm Regulation 40D should be extended in manner indicated.	30
54	To the Governors-General and Governor	Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Confidential	August 14	States that an Order has been made by the Canadian Government under the War Measures Act, 1914, in terms identical with those in Defence of the Realm Regulation 40D, with an addition respecting medical examination.	30
55	To the Governor-General	New Zealand Telegram	September 9	States, with reference to Nos. 52 and 53, that the whole question is still under consideration, and points out that the Defence of the Realm Regulation 13a provides for offences referred to.	31

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
56	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	1918 December 21	Reports withdrawal of Regulation 40D.	31

RESOLUTIONS OF IMPERIAL WAR CONFERENCE, 1918.

RESOLUTION XVII.—DEMOBILIZATION.

57	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 503 Confidential	1918 September 10	Transmits copy of the Imperial War Conference, 1918, proceedings on Demobilization and copies of the Resolution passed, encloses also copy of a letter addressed by the Army Council to the administrative headquarters in this country of the Oversea Dominions Forces.	32
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AIR.

AIR FORCE IN CANADA.

Organization.

58	The Administrator ...	200	1920 March 31 (Rec. Apr. 20)	Forwards copy of Privy Council Minute laying down principles of organization respecting the Canadian Air Force, and suggesting that the Air Ministry shall undertake not to call upon officers of the Canadian Air Force who are on Royal Air Force reserve without the previous consent of the Canadian Government.	34
59	To the Governor-General	299	May 17	States that the Air Council have no objection to the enrolment in the Canadian Air Force of officers and men who have served in the R.A.F., but they propose that officers and men selected by the Canadian Government should be ineligible for service with the R.A.F. Reserve.	36
60	The Governor-General	401	June 9 (Rec. June 23)	Requests that the thanks of the Canadian Government may be conveyed to the Air Council for their decision to release officers enrolled in the Canadian Air Force from their obligations for service in the Royal Air Force Reserve.	36

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
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AIR MINISTRY.

Duties of Dominion Officers serving in—

61	To the Governors-General	Canada, 517 Commonwealth of Australia, 394 New Zealand, 186 Union of South Africa, 576	1919 October 29	Transmits copy of a memorandum as to the duties of liaison officers of the self-governing Dominions who may be appointed to serve in the Air Ministry and invites observations of Ministers thereon.	37
62	The Governor-General	Union of South Africa Telegram	December 6 (Rec. Dec. 6)	States that Ministers concur in the terms of the memorandum, but have no observations to offer at present.	38
63	Ditto ...	New Zealand Telegram	1920 January 14 (Rec. Jan. 14)	States that his Government concur in terms of memorandum.	38
64	Ditto ...	Commonwealth of Australia, Telegram	January 31 (Rec. Jan. 31)	States that Government approves terms of memorandum and will probably appoint air representative on staff of High Commissioner as soon as Australian Air Force is authorized.	38
65	Ditto ...	Canada 46	January 23 (Rec. Feb. 9)	States that his Government approves proposed duties of Dominion liaison officers appointed to serve in the Air Ministry.	38

MILITARY.

MILITARY DEFENCE, UNION OF SOUTH AFRICA, AND RETENTION OF IMPERIAL TROOPS IN CAPE PENINSULA.

66	The Governor-General	Telegram Secret	1919 (Rec. Mar. 17)	States that Ministers suggest that discussions on defence questions concerning the Union may be arranged with the Prime Minister and Minister of Defence.	39
67	Ditto ...	Telegram	September 6 (Rec. Sept. 6)	Sends observations on information received from the General Officer Commanding Cape Town regarding proposed despatch of troops for the Cape garrison.	39
68	Ditto ...	Telegram Secret	September 11 (Rec. Sept. 11)	Sends substance of Ministers' Minute as to the garrison of the Cape Peninsula.	40
69	Ditto ...	Telegram Secret	September 11 (Rec. Sept. 11)	States that he has discussed the question of the Cape garrison with General Smuts; considers that local difficulties are not exaggerated.	40

Serial No.	From or to whom.	Despatches No., &c.	Date.	Subject.	Page
1919					
70	To the Governor-General	Telegram	October 7	States that no troops have been ordered to the Cape nor will such orders be issued without consultation with the Union Government.	41
71	Ditto ...	Secret	October 10	Amplifies No. 70.	41
72	The Governor-General	Telegram	October 15 (Rec. Oct. 17)	Refers to No. 70 and makes further reference to War Office telegram to General Officer Commanding Cape Town of 25th August.	41
73	Ditto ...	Telegram Secret	December 15 (Rec. Dec. 15.)	Presses for early reply to No. 74 as difficulties are becoming acute.	42
74	Ditto ...	Secret	November 24 (Rec. Dec. 22)	Transmits a Minute from Ministers expressing satisfaction at the terms of No. 71 and conveying their proposals with regard to the garrison of the Cape Peninsula.	42
1920					
75	To the Governor-General	Telegram	February 11	States, in reply to No. 74, that Army Council see no objection to demobilization of Engineer and Artillery units.	43
76	Ditto ...	Secret	February 19	Transmits copy of letter from the War Office to the General Officer Commanding South Africa explaining the position as regards the Imperial garrison of South Africa and stating that the Army Council propose to maintain for the present the existing Imperial garrison only.	43

MILITARY LIAISON.

Loans, Attachments, and Interchanges.

1919					
77	To the Governors-General	Canada, Commonwealth of Australia, New Zealand, Union of South Africa	December 17	Transmits copy of memorandum on the subject of loans, attachments and interchanges between military officers of the Empire; requests Ministers' observations.	44
78	To the Governor ...	Confidential Newfoundland Confidential	December 17	Transmits, for the information of Ministers, copy of No. 77.	50
1920					
79	The Governor-General	Union of South Africa Confidential	January 30 (Rec. Mar. 5)	Transmits Minute from Ministers stating that pending fuller development of the Union's military policy it would be premature to deal fully with the War Office memorandum enclosed in No. 77, but should necessity arise they will accept the financial arrangements set forth in the Memorandum.	50

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
80	The Administrator ...	Canada Confidential	May 7 (Rec. May 21.)	States that Canadian Government concur generally in the principle enumerated in the Memorandum enclosed in No. 77, but that the Militia Department will not, for some little time to come, be able to give effect to the proposals for interchange of officers.	51
81	The Governor-General	New Zealand Confidential	April 26 (Rec. 30 June)	Transmits Memorandum by Prime Minister commenting on the proposals in the Memorandum in No. 77.	51
82	Ditto ...	Commonwealth of Australia Confidential	October 12 (Rec. Nov. 24)	States that the Commonwealth Government concurs generally in the principles in the Memorandum in No. 77, but desires to submit the detailed observations on the points indicated.	53

WAR MEDALS.

Correspondence arising out of discussions at the Imperial War Conferences of 1917 & 1918.

1917					
83	The Governor-General	New Zealand Personal & Secret Telegram (Extract)	(Rec. July 4)	Expresses views of Mr. Massey and Sir J. Ward as to decoration for Gallipoli; urges the War Office most strongly to acquiesce in their views.	54
84	Ditto ...	Commonwealth of Australia Telegram (Extract)	(Rec. Oct. 16)	Urges strongly that proposed medal for original British Expeditionary Force should also be given to the men of the 1914 Australian contingents.	55
85	To the Governor-General	Commonwealth of Australia Telegram	November 6	Regrets that the grant of 1914 medals cannot be extended to include the original Australian Expeditionary Force.	55
86	Ditto ...	New Zealand (Personal) Telegram	November 6	Communicates, with reference to No. 83, purport of Nos. 84 and 85.	55
87	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 729 Confidential	November 13	States the present position as regards the question of the award of War Medals.	56
88	To the Governors-General	Commonwealth of Australia, New Zealand Telegram	November 22	States that His Majesty approves the grant by the Commonwealth and New Zealand Governments of a special decoration for the men of the 1914 Contingents.	57

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1917					
89	To the Governors-General and Acting Governor	Canada, Union of South Africa, Newfoundland Telegram	November 22	Communicates No. 88; invites views of Ministers.	57
90	To the Governors-General	Commonwealth of Australia, New Zealand Telegram	November 30	Describes decoration for men who served under Lord French up to 22nd November, 1914.	58
91	The Governor-General	Union of South Africa Telegram	December 3 (Rec. Dec. 8)	States, with reference to No. 89, that Ministers have no observations to offer at present.	58
92	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	December 21	Sends conditions of award of chevrons for oversea service.	58
93	The Governor-General	New Zealand Telegram	(Rec. Dec. 28)	States, with reference to No. 88, that Ministers consider that decoration should be given to all Australian and New Zealand troops who took part in the Gallipoli campaign; the Governor-General of Australia has been informed in this sense.	59
1918					
94	Ditto ...	Canada Telegram	January 14 (Rec. Jan. 14)	States, with reference to No. 89, that views of Canadian Government were expressed by Prime Minister at Imperial War Conference; suggests discussion with Sir G. Perley and Sir A. Kemp; in the event of award of special decorations, Canadian Government reserves right to make further representations.	59
95	Ditto ...	Commonwealth of Australia Telegram	(Rec. Jan. 16)	States that Commonwealth Government is of opinion that decoration should be given to all ranks of Australian and New Zealand forces who took part in Gallipoli operations at any time between disembarkation in Egypt and final evacuation of Gallipoli.	59
96	The Governor ...	Newfoundland Telegram	(Rec. Jan. 17)	Reports, with reference to No. 89, that Ministers concur generally in proposal, but they would like to see design before final approval.	59
97	Ditto ...	Newfoundland Confidential	January 15 (Rec. Feb. 8)	States that Ministers approve proposal in No. 89 and would be glad to see the design.	60
98	The Governor-General	New Zealand Confidential (3)	February 28 (Rec. Apr. 28)	States, with reference to No. 87, that the Prime Minister will discuss this question during his forthcoming visit to the United Kingdom.	60

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1918					
99	The Governor-General	Commonwealth of Australia Telegram	(Rec. May 11)	Submits suggestion by Commonwealth and New Zealand Governments for design for proposed Gallipoli star and ribbon; considers that decoration should be issued only to officers and men who landed actually on Gallipoli.	60
100	To the Governor-General	New Zealand Telegram	May 15	Asks if Ministers agree with Commonwealth Government that Star should be issued only to officers and men who actually landed in Gallipoli.	61
101	The Governor-General	New Zealand Telegram	(Rec. May 25)	Concurs in recommendation in No. 99, and agrees that Star should be issued only to officers and men who landed in Gallipoli.	61
102	To the Governor ...	Newfoundland Confidential	June 17	Describes the design proposed by the Governments of Australia and New Zealand for the Gallipoli star and ribbon and requests views of Newfoundland Government as to the ribbon to be given to the men of the Newfoundland Regiment.	61
103	To the Governors-General	Commonwealth of Australia, New Zealand Telegram	August 28	Reports that Prime Ministers of Commonwealth and New Zealand Governments have approved, on behalf of their Governments, designs for Gallipoli star and ribbon selected by His Majesty; regulations as to awards are still under discussion.	62
104	The Governor-General	Commonwealth of Australia Telegram	(Rec. Aug. 24)	States that the Commonwealth Government recommend extension of award of Gallipoli star to individuals on duty at Lemnos and on ships plying between Lemnos and Gallipoli Peninsula.	62
105	To the Governor-General	New Zealand Telegram	September 5	Communicates No. 104 and states that New Zealand Prime Minister has agreed to the extension of award of Gallipoli star proposed therein provided this modification does not involve delay.	63
106	The Governor-General	Commonwealth of Australia Telegram	(Rec. Oct. 8)	Refers to No. 103 and requests information by telegram as to categories to which Gallipoli decoration shall be issued and description of design of star and ribbon.	63
107	The Governor ...	Newfoundland Confidential	September 23 (Rec. Oct. 12)	Sends views of Ministers on the ribbon to be granted to the Royal Newfoundland Regiment with the proposed Gallipoli decoration.	63
108	To the Governors-General and Acting Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	October 16	Transmits amended proposals for the issue of decoration to Dominion troops; trusts that Ministers will concur.	64

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1918					
109	The Governor-General	New Zealand Telegram	(Rec. Oct. 20)	Reports that Government concur in general principles expressed in No. 108, but regard as essential modification indicated: gives reasons.	65
110	The Acting Governor	Newfoundland Telegram	October 30 (Rec. Oct. 31)	Regrets Government cannot concur in proposal in No. 108 on account of date mentioned which would exclude from award the whole of Newfoundland troops who took part in the Gallipoli campaign: if time was enlarged to 6th or 7th January, 1916, they would be able to concur.	65
111	The Governor-General	Union of South Africa Telegram	(Rec. Nov. 1)	States that Ministers concur generally in the adoption of proposals in No. 108, but ask that two points indicated may be considered.	66
112	Ditto ...	Commonwealth of Australia Telegram	(Rec. Nov. 2.)	Concurs generally in proposal in No. 108 but submits two further points for consideration.	66
113	To the Governor-General	Canada Telegram	November 12	Proposes, with reference to No. 108, to extend date to 31st December, 1915.	66
114	To the Governor-General and Acting Governor	Commonwealth of Australia, Newfoundland Telegram	November 12	States, with reference to Nos. 110 and 112, that it is now proposed to extend date to 31st December, 1915; informs Newfoundland Government that Bismarck Archipelago will be included as theatre of war.	67
115	To the Governors-General	New Zealand, Union of South Africa Telegram	November 12	States, with reference to Nos. 109 and 111, that it is now proposed to extend date to 31st December, 1915, and to include Bismarck Archipelago as a theatre of war; presumes that New Zealand Government will not object.	67
116	To the Governor-General	Canada Telegram	November 13	Reports that in absence of reply to No. 113, and in view of statements by Canadian Ministers at 1917 and 1918 Conferences, an announcement will be made in Parliament to-morrow.	67
117	Ditto ...	Commonwealth of Australia Telegram	November 13	States, with reference to No. 114, that an announcement on the subject will be made in Parliament to-morrow, as wishes of Commonwealth Government are fully met.	68
118	The Governor ...	Newfoundland Telegram	(Rec. Dec. 11)	States that Government agrees to limitation of date proposed in No. 114.	68
119	The Governor-General	New Zealand Telegram	(Rec. Dec. 20)	States, in reply to No. 115, that Government has no objection to the inclusion of Bismarck Archipelago as a theatre of war, provided Samoa is also included.	68
120	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions	December 31	Transmits copy of an announcement in the House of Commons respecting the issue of a star to the Dominion troops and the conditions attached thereto.	68

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1918					
121	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland	December 31	Sends observations respecting the issue of a decoration to Dominion troops.	70
1919					
122	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	January 1	Transmits substance of the Army Order and Admiralty Regulations as to the conditions governing the grant of the 1914-15 Star.	70
123	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions	January 24	Transmits copies of Army and Navy Orders dealing with the award of the 1914-15 Star.	70
124	The Governor ...	Newfoundland Confidential	January 6 (Rec. Feb. 4)	Confirms telegraphic concurrence in proposal to fix limit of date for award of Gallipoli Star at 31st December, 1915.	71
125	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	March 8	Indicates general proposals for the issue of War medals.	71
126	To the Governor-General	Canada Telegram Confidential	March 8	Explains difficulties connected with the issue of medals to War workers.	72
127	The Governor-General	New Zealand Telegram (Extract)	(Rec. Mar. 24)	States that his Government agree to bear cost of medals and ribbons supplied for allocation by them.	72

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
128	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram Confidential	April 3	Withdraws proposal in No. 125 to restricting the wearing of more than two medals.	78
129	The Governor ...	Newfoundland Telegram Confidential	April 4 (Rec. April 4)	Concurs in proposals in Nos. 125 and 128, and states that his Government is willing to bear cost of medals and ribbons.	78
130	House of Commons	—	April 11	Extract from <i>Times</i> giving questions asked by General Sir Ivor Philipps respecting War medals, and Mr. Churchill's replies thereto.	78
131	The Governor-General	Canada Telegram	April 11 (Rec. April 12)	States that his Government is not yet in a position to give definite reply to questions in No. 125.	74
132	To the Governors-General	Commonwealth of Australia, Union of South Africa Telegram	April 14	Requests early reply to Nos. 125 and 128.	74
133	The Governor-General	Canada Telegram	April 15 (Rec. April 15)	Concurs in proposal in No. 125, but suggests that Allies medal be given to Dominion troops serving in British Isles; asks that Overseas Minister be given opportunity of stating his views to War Office.	75
134	Ditto ...	Union of South Africa Telegram	April 15 (Rec. April 15)	States that Ministers cannot reply to No. 125 until they receive answer from General Smuts, with whom they are in communication.	75
135	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 326	April 30	Transmits, with observations, and for information of Ministers, copies of a Memorandum on War medals, which it is proposed to issue to the Press.	75
136	The Governor-General	Commonwealth of Australia Telegram	(Rec. May 1)	States that Ministers concur in proposals in Nos. 125 and 128 respecting War medals, with the exception that issue should be confined in Australia to men in categories mentioned, and that they agree to bear cost of medals and ribbons.	79

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1919					
137	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	May 2	Transmits new proposals as to the issue of the British War Medal to all women borne on the strength of an organized force and to all persons serving on the staff of a hospital or engaged in handling sick and wounded.	80
138	The Governor ...	Newfoundland Telegram	(Rec. May 5)	States that Ministry has no objection to offer to proposal in No. 137.	80
139	The Governor-General	New Zealand Telegram	(Rec. May 15)	Ditto.	80
140	Ditto ...	Commonwealth of Australia Telegram	(Rec. May 15)	States, with reference to proposal in No. 137, that Senator Pearce, Minister of Defence, will discuss the matter direct.	81
141	Ditto ...	Canada Telegram	May 22 (Rec. May 23)	States that Ministers concur in proposal in No. 137.	81
142	Ditto ...	Union of South Africa Telegram	May 28 (Rec. May 28)	States that his Ministers express general concurrence in proposal in No. 125 subject to observations stated and agree to bear cost of medals allocated by the Union; they see no objection to amended proposal contained in No. 137.	81
143	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	July 16	Transmits text of Army Order V of 16th July, 1919, respecting the issue of British War Medal.	81
144	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	July 16	Points out that the Army Order referred to in No. 143 respecting British War Medals does not provide for officers and men who remained at home.	82
145	The Governor-General	Canada Telegram	July 31 (Rec. Aug. 1)	Reports that the Minister of Militia is of opinion that much disappointment will be caused if the award of the British War Medal is withheld from those retained on duty in Canada.	82

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1919					
146	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 649	August 13	Transmits copies of a Memorandum dated 15th July and an Army Order respecting the issue of the British War Medal.	82
147	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland 756	September 22	Transmits copies of an Army Order regarding the grant of the "Victory Medal."	83
148	The Governor-General	Union of South Africa Telegram	October 31 (Rec. Nov. 1)	Summarizes Minute from Ministers, in which they state they regard with grave concern the arrangements for War Medals set out in No. 146, which appears to exclude from any War Medals those who were not permitted to volunteer for overseas service.	83
149	Ditto ...	Union of South Africa Confidential (2)	October 31 (Rec. Nov. 24)	Transmits Ministers' Minute referred to in No. 148.	84
150	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland 888	December 29	Transmits for the information of Ministers copies of Admiralty Fleet Orders regarding the award of the British War Medal and the Victory Medal.	85
1920					
151	The Governor-General	Canada 984	December 29, 1919 (Rec. Jan. 7, 1920)	Calls attention to Army Order 8 of 1918 and 179 of 1919 by which special authorization by the Army Council is required for award of medals for temporary duty in a theatre of operations; requests delegation of power to the Minister of Militia-in-Council as regards Canadian Forces and inquires what considerations would justify the award.	86
152	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	February 10	States, with reference to No. 144, that on further consideration His Majesty's Government have no objection to Dominion Governments extending grant of British War Medal to officers and soldiers, etc., who did not proceed overseas.	86

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1920					
153	To the Governors-General	Canada, Union of South Africa Telegram	February 10	In reply to Nos. 145 and 148 refers to No. 152.	86
154	The Governor-General	New Zealand Telegram	March 1 (Rec. Mar. 1)	States that proposed extension of British War Medals to persons in New Zealand will make medal valueless in eyes of returned soldiers, and be bitterly resented by them; strongly recommends issue of commemorative medal, and if this is impossible cannot approve suggestion in No. 152 as far as New Zealand is concerned.	87
155	To the Governor-General	Canada Telegram	April 17	States, in reply to No. 151, that owing to the number of special cases the Army Council consider that decisions regarding them should be co-ordinated under one central authority; hopes that Canadian Government will not press request.	87
156	Ditto ...	New Zealand Telegram	May 1	States, in reply to No. 154, that Army Council has agreed to grant of British War Medal being extended on responsibility of each Dominion; the extension of the award is a matter for each Dominion Government to decide; no final decision has been reached as to institution of General Service Medal, but the matter is not urgent.	87
157	The Governor-General	Canada Telegram	May 13 (Rec. May 13)	States, in reply to No. 155, that Minister of Militia agrees that decisions should be co-ordinated under one central authority, and that the request in No. 151 may be withdrawn; special cases will be submitted to arbitration of the War Office.	88
158	The Governor ...	Newfoundland 106	June 16 (Rec. June 25)	States, in reply to No. 152, that, for the reason given, no additional medals will be required.	88
159	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 318	August 6	Transmits copy of Admiralty Order No. 2051 regulating the award of naval clasps to the British War Medal.	88
160	The Governor-General	Commonwealth of Australia Telegram	October 7 (Rec. Oct. 7)	States that the numbers of British War Medals on requisition at the present time are considered to be sufficient for requirements, and that no additional medals will be required.	88

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NAVAL.

CHANNELS OF COMMUNICATION REGARDING NAVAL MATTERS.

			1919		
161	Admiralty ...	—	November 8	Memorandum on channels of communication regarding naval matters.	89

DOMINION NAVAL STATIONS.

			1919		
162	To Governor-General	Canada 338 Commonwealth of Australia 268	July 30	States that Admiralty have had under consideration rearrangement of Naval stations abroad and encloses statement setting out limits of proposed Australian station; asks whether Ministers concur in Admiralty proposals.	90
163	The Governor-General	Canada 681	September 8 (Rec. Sept. 22)	States that the Minister of Naval Service has no objection to the changes proposed in No. 162.	91
164	Ditto ...	Commonwealth of Australia 341	October 30 (Rec. Dec. 11)	States that the Government concur in the Admiralty proposals.	91
165	To the Governors-General	Canada, Commonwealth of Australia Telegram	1920 January 6	States that instructions are being issued for the new limits of the Australian Naval Station to take effect from 1st January, 1920.	92

INTELLIGENCE ORGANIZATION AND ATTACHMENT OF OFFICERS OF DOMINION NAVIES TO NAVAL STAFF.

			1919		
166	To Governor-General	Commonwealth of Australia 428	November 26	Outlines Admiralty proposals for co-ordination of Naval Intelligence and asks for the views of his Ministers on the proposals.	92
167	Ditto ...	Canada 573	November 26	Transmits copy of No. 166 and states that the Admiralty would be glad to make similar arrangements with Canada; asks for views of his Ministers.	93
			1920		
168	The Governor-General	Commonwealth of Australia Telegram	February 24 (Rec. Feb. 24)	States that the Commonwealth Government accepts loan of qualified senior Intelligence Officer and proposes to send Captain W. Thring to attend Naval Intelligence School and act as liaison officer.	93
169	Admiralty ...	—	March 4	Submits for transmission to Dominion Governments proposals for the representation of the Naval Forces of the Dominions and India on the Naval Staff at the Admiralty; suggests that Canada and the Commonwealth should be invited to nominate officers to join the next course for Staff Officers and later to be attached to Naval Staff.	93
170	The Governor-General	Canada Telegram	March 9 (Rec. Mar. 9)	States that Naval Service Department concurs generally in proposals in No. 166; Lieut. P. Nelles has been selected for Admiralty course of instruction; it is desired to postpone action respecting loan of Imperial Naval Intelligence Officer pending outcome of Lord Jellicoe's proposals.	94

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			1920		
171	To the Governor-General	Canada, Commonwealth of Australia Telegram	March 15	Conveys purport of No. 169 and asks for the views of his Government.	95
172	Ditto ...	Canada, Commonwealth of Australia Telegram	March 15	States, with reference to No. 171, that his Ministers may wish to refer to Nos. 166, 167, 168 and 170.	95
173	Ditto ...	Canada 167 Commonwealth of Australia 109	March 16	Transmits, for consideration of Ministers, copy of No. 169.	96
174	To the Governor-General and Governor	New Zealand 50 Union of South Africa 119 Newfoundland 24	March 16	Transmits, to be laid before Ministers, copy of Nos. 171 and 173.	96
175	To the Governor-General	Commonwealth of Australia Telegram	March 20	States, in reply to No. 168, that Admiralty concurs in the appointment of Captain Thring.	96
176	The Governor-General	Commonwealth of Australia Telegram	April 7 (Rec. Apr. 7)	States that Captain Thring left Melbourne for England on 27th February to take up duties as Liaison Officer at Admiralty; desires to learn date on which officer will be sent to Australia by Admiralty.	96
177	The Administrator...	Canada Telegram	April 8 (Rec. Apr. 9)	States that the Government concurs in proposal in No. 171, but that no officers of the Canadian Royal Navy are sufficiently senior for appointments referred to.	97
178	To the Governor-General and Governor	Commonwealth of Australia 160 New Zealand 72 Union of South Africa 166 Newfoundland 89	April 14	Transmits copy of No. 177.	97
179	The Governor-General	Commonwealth of Australia Telegram	April 22 (Rec. Apr. 22)	Reports selection of Lieut. C. E. Lowther for Staff Officers' course commencing in September.	97
180	To the Governor-General and Governor	Canada 259 New Zealand 85 Union of South Africa 188 Newfoundland 39	April 30	Transmits copy of No. 179.	98

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
181	To the Governor-General	Commonwealth of Australia Telegram	May 18	States, in reply to No. 176, that scheme has not yet been definitely sanctioned.	98
182	The Governor-General	Commonwealth of Australia Telegram	July 12 (Rec. July 13)	Inquires when Admiralty Intelligence Officer may be expected in Australia.	98
183	Ditto ...	Commonwealth of Australia 170	June 10 (Rec. July 21)	Reports the selection of Lieut. C. E. Lowther to attend the next Staff Officers' course; desires that Captain Thring should, for the time being, be attached to the Naval Staff.	98
184	To the Governor-General	Commonwealth of Australia 341	August 25	States, in reply to No. 183, that the Admiralty agrees that Captain Thring should act as Commonwealth representative on the Naval Staff as well as Liaison Officer with the Naval Intelligence Division; he has taken up these duties.	99
185	Ditto ...	Commonwealth of Australia Telegram	September 8	States that it has been decided to appoint officer of rank of Commander Royal Navy or equivalent rank as Liaison Intelligence Officer.	99
186	Ditto ...	Commonwealth of Australia Telegram	November 13	Notifies appointment of Major F. Griffiths, R.M.L.I., as Liaison Intelligence Officer at Melbourne for period of three years.	99

LEGAL.

(a) Position of Officers and Men of Royal Navy serving in Dominion Navies.

1920					
187	To the Governors General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	April 1	Conveys purport of a Bill which it is proposed to introduce into Parliament as to the legal position of officers and men transferred to Dominion Navies, and inquires whether Ministers concur.	100
188	The Governor ...	Newfoundland Telegram	April 12 (Rec. Apr. 18)	States that Ministers agree that Bill should be introduced.	100
189	The Deputy Governor-General	Canada Telegram	April 15 (Rec. Apr. 16)	States that his Government concur in proposed Bill.	100
190	The Governor-General	Union of South Africa Telegram	April 16 (Rec. Apr. 18)	States that Ministers have no objection to provisions of Bill, but point out that under provisions of South Africa Defence Act, 1913, officers and other ranks of Royal Navy employed with South African Division of the Royal Naval Reserve remain subject to the Naval Discipline Acts.	101

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
191	The Governor-General	New Zealand Telegram	April 20 (Rec. Apr. 20)	States that Ministers concur in suggestions in No. 187, but they understand that Bill refers principally to matters of discipline and service, and will not affect financial questions.	101
192	Ditto ...	Commonwealth of Australia Telegram	April 24 (Rec. Apr. 24)	Inquires whether the Bill is intended to govern Imperial ships attached temporarily to the Australian unit, and whether this will be reciprocal in the case of Australian ships attached to an Imperial Fleet.	101
193	To the Governor-General	Commonwealth of Australia Telegram	June 17	Replies to the inquiries in No. 192 and asks whether his Ministers concur in the proposed Bill.	101
194	Ditto ...	New Zealand Telegram	June 17	States that the Bill will have no financial effect on pension or compensation questions.	102
195	The Governor-General	Commonwealth of Australia Telegram Confidential	July 21 (Rec. July 21)	States, in reply to No. 193, that Government assumes that proposed Bill will provide that Imperial ships will come under Commonwealth Regulations when placed at the disposal of the Commonwealth, except when temporarily attached; subject to this, Government concurs in proposed Bill, but would prefer to have full text before finally deciding.	102
196	To the Governor-General	Commonwealth of Australia Telegram	September 4	Explains the object of the Naval Discipline Act Amendment Bill.	103
197	To the Governors General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	November 29	Conveys text of section 5 of the Bill to amend the Naval Discipline Act which it is proposed to introduce into Parliament shortly.	103
198	To the Governor-General	Commonwealth of Australia Telegram	November 29	Asks, with reference to No. 196, whether Ministers concur in terms of section 5.	103
199	The Governor-General	Commonwealth of Australia Telegram	December 9 (Rec. Dec. 10)	States, in reply to No. 198, that Ministers concur.	103
200	Ditto ...	Canada Telegram	December 14 (Rec. Dec. 15)	Ditto.	104
201	The Governor ...	Newfoundland 222	December 3 (Rec. Dec. 31)	States, in reply to No. 197 that Ministers have no observations to make.	104

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
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(b) Status of Dominion Navies.

(1) Canada.

1917					
202	To the Governor-General	Confidential	December 7	States steps it would be necessary to take to give effect to suggestion that King's Regulations and Admiralty Instructions should be extended so as to include the Royal Canadian Navy.	104
1918					
208	Ditto ...	Confidential	January 22	States that owing to legal difficulties authority cannot be issued to the Commander-in-Chief, North America and West Indies Station, to convene Naval Courts Martial for the trial of Canadian offenders.	105
204	The Administrator	Confidential	January 10 (Rec. Feb. 11)	States that the Naval Service Department is considering the question of having the Naval Forces placed under the Naval Discipline Act, 1911; further steps will be taken when the necessary legislation has been enacted.	106
205	The Governor-General	Confidential	March 7 (Rec. Apr. 1)	Asks for a decision as to the right of the Commander-in-Chief North America and West Indies to summon Canadian officers to attend the trial of Imperial offenders.	106
206	To the Governor-General	Confidential	April 30	States that Commander-in-Chief North America and West Indies has been directed not to summon Canadian naval officers to attend Courts Martial convened by him.	107
207	The Governor-General	619	July 11 (Rec. Aug. 6)	Encloses copies of Act bringing into force as regards Canada the Naval Discipline (Dominion Naval Forces) Act, 1911; asks that the Admiralty be approached with a view to the necessary amendments being made in the King's Regulations; requests information as to whether any alterations should be made in the form of Commissions and Warrants now in use in the Canadian Naval Service.	107
1920					
208	To the Deputy Governor-General	Telegram	April 1	Conveys text of two draft Orders in Council (1) applying provisions of Order in Council of 12th August, 1913, to Canadian Naval Forces and (2) providing that naval commissions in the Royal Navy and Royal Canadian Navy may be valid for service in His Majesty's Fleet, including both Royal Navy and Royal Canadian Navy; and asks whether his Ministers concur in the Orders being proceeded with.	108
209	The Deputy Governor-General	Telegram	April 22 (Rec. Apr. 22)	States that Ministers concur in proposed Orders in Council.	108

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
210	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Dominions 298 475	July 27	Transmits copy of an Order in Council relating to commissions in the Royal Navy and Royal Canadian Navy.	109
211	To the Governor-General		August 6	Transmits copy of Order in Council of 28th June extending the provisions of the Order in Council of 12th August, 1913, to the Canadian Navy.	110
212	To the Governors-General and Governor	Commonwealth of Australia 323 New Zealand 161 Union of South Africa 342 Newfoundland 88	August 18	Ditto.	111
213	The Governor-General	Telegram	September 17 (Rec. Sept. 17)	States, with reference to No. 211, that Imperial Order in Council of 12th August, 1913, has been brought into operation in Canada as from 1st September, 1920, by Order in Council approved 15th September, 1920.	112
214	The Deputy Governor-General	595	September 21 (Rec. Oct. 1)	Transmits copy of an Order in Council bringing into force in Canada as from 1st September, 1920, the provisions of the Imperial Order in Council of 12th August, 1913.	112
215	To the Governors-General and Governor	Commonwealth of Australia 433 New Zealand 224 Union of South Africa 412 Newfoundland 123	October 19	Transmits copy of No. 214.	113

(2) Australia.

1916					
216	The Governor-General	152	May 10 (Rec. June 27)	Submits the recommendation of the Commonwealth Government that a Commission should be issued to the Governor-General authorizing him to convene Courts Martial with a view to such authority being delegated to the Naval Board; encloses Law Officers' opinion on the matter.	113

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
217	To the Governor-General	852	1916 August 31	States that the Admiralty have no power to authorize the issue of a warrant as proposed in No. 216; but they suggest that a warrant to convene Courts Martial shall be issued to either an officer of Royal Navy or of Royal Australian Navy of suitable seniority and on full pay.	116
218	The Governor-General	319	1917 August 28 (Rec. Oct. 29)	Conveys observations of the Prime Minister as to the persons to whom the Admiralty Warrants should be issued for Naval Courts Martial for the trial of officers and men of the Royal Navy within the limits of the Australian Station.	117
219	To the Governor-General	4	1918 January 3	Transmits, with reference to No. 218, copy of Admiralty letter enclosing Warrant authorizing the Captain in Charge to convene Courts Martial for trial of officers and men of Royal Navy within limits of the Australian Station.	117

MEETING OF FLAG OFFICERS.

220	To the Governor-General	Commonwealth of Australia Secret	1920 February 18	Transmits copy of Admiralty letter suggesting that regular meetings should be arranged between the three Flag Officers of the China, East Indies, and Australian Squadrons; asks whether Ministers concur in the suggestion.	118
221	The Governor-General	Commonwealth of Australia Telegram	(Rec. Apr. 22)	States that Ministers concur in the suggestion in No. 220.	119
222	Ditto ...	Commonwealth of Australia Telegram	(Rec. Nov. 16)	States that the Commonwealth Government suggest that the first meeting of Admirals shall be held about March, 1921, in Melbourne, and invites Commanders-in-Chief of East Indies and China stations to be guests of the Commonwealth.	119
223	To the Governor-General	Commonwealth of Australia Telegram	December 21	States that Admiralty would prefer to postpone the meeting of Flag Officers until after the Conference of Prime Ministers in June, 1921.	119

NAVAL CORDITE.
Manufacture in Australia.

224	The Governor-General	Telegram	1920 October 8 (Rec. Oct. 8)	Inquires whether Admiralty recommend that project for manufacture of naval cordite in Australia be proceeded with, or whether possible change in nature of propellant renders it undesirable at present.	120
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Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
225	To the Governor-General	Telegram	1920 November 9	States that Admiralty recommend, in view of possible change in manufacture of propellants, that production of cordite in Australia be deferred; they suggest that suitable officers be selected by the Navy Board for training in England to form an Inspection Staff.	120
226	Ditto ...	Secret	November 5	Transmits copy of letter to Commonwealth High Commissioner amplifying No. 225.	121
227	The Governor-General	Confidential	November 9 (Rec. Dec. 23)	Outlines the policy of the Government respecting the manufacture of ammunition in Australia; states desire of Ministers for views of His Majesty's Government and inquires whether Admiralty would lend members of the Admiralty Inspection Staff.	122

NEW ZEALAND.

Naval Defence (including gift of H.M.S. "Chatham," appointment of Officers to "Chatham" and "Philomel", and position of "Veronica.")

228	To the Governor-General	Telegram	1919 September 1	States that Admiralty wish to be informed by cable whether a coal-burning light cruiser is required as a temporary measure until supplies of oil fuel are available; also what officers the New Zealand Government wish to take over with the cruiser.	123
229	The Governor-General	Telegram Secret	(Rec. Oct. 4)	States, with reference to No. 228, requirements in connexion with a light cruiser and its crew.	124
230	Ditto ...	Telegram	(Rec. Nov. 4)	States that his Prime Minister requests reply to No. 229 and inquires whether the Admiralty are yet in a position to state conditions of acquisition of vessels referred to in No. 245.	124
231	To the Governor-General	Telegram	December 1	Offers H.M.S. "Chatham" with complete permanent equipment as free gift to New Zealand Government to be manned and maintained at New Zealand Government's expense; submits proposals as to manning the vessel and as to rates of pay of the personnel; suggests that if Government cannot adopt these proposals at once the vessel be sent to New Zealand waters as a part of the British Navy, the cost of her maintenance being paid by the New Zealand Government.	124
232	The Governor-General	Telegram	1920 (Rec. Jan. 26)	Inquires as to liability of New Zealand Government as regards pensions of ratings transferred to New Zealand Naval Service, also as to discharge of officers and men volunteering for three years' service; points out that the statement that the Admiralty will be unable to lend ratings for short periods appears to conflict with Lord Jellicoe's proposals for a New Zealand division of the Royal Navy.	125

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
233	The Governor-General	Telegram	(Rec. Feb. 23)	Urges reply to No. 232 as future naval policy of New Zealand is now under consideration.	126
234	To the Governor-General	Telegram	March 10	States, in reply to Nos 232 and 233, that the High Commissioner has conferred with the Admiralty and has communicated the result of conference to New Zealand Government.	126
235	The Governor-General	Telegram Confidential	March 14 (Rec. Mar. 15)	Communicates telegram to his Prime Minister from the High Commissioner giving the result of the conference regarding the "Chatham" and the Prime Minister's reply thereto.	126
236	Ditto ...	Telegram Confidential	April 20 (Rec. Apr. 20)	Repeats telegram from High Commissioner to Prime Minister and of reply thereto concurring in proposed reduced complement for the "Chatham" and "Philomel" and asking Admiralty to suggest a date for taking over the former ship.	127
237	Ditto ...	Telegram Confidential Extract	June 1 (Rec. June 1)	States that Ministers acting on advice of Lord Jellicoe desire the services of officers named; they should arrive prior to arrival of H.M.S. "Chatham."	128
238	Ditto ...	Telegram Confidential Extract	June 8 (Rec. June 8)	Inquires date of commissioning of H.M.S. "Chatham"; states duties of Commander of the "Philomel."	129
239	To the Governor-General	Telegram Confidential	July 6	States, with reference to No. 237, that pending the further development of New Zealand's naval policy it is considered that one officer can perform the duties of Naval Adviser, Commodore, and Captain of the "Chatham," and Captain A. G. Hotham has been selected.	128
240	The Administrator...	Telegram	August 6 (Rec. Aug. 6)	States, in reply to No. 239, that Ministers consider that Commodore of the New Zealand Division cannot in addition perform the duties of Naval Adviser, and suggest as an alternative that an officer on the Commodore's staff should carry out the duties indicated.	129
241	To the Governor-General	Telegram	August 20	Agrees to proposal in No. 240.	129
242	Ditto ...	Telegram	September 3	States that Admiralty suggests that on arrival of Captain Hotham, Acting Captain Williams should be placed on his staff to perform the duties mentioned in No. 240.	129
243	The Administrator	Telegram	September 20 (Rec. Sept. 20)	States that Ministers agree to the appointment of Commander Williams for not less than one year.	129
244	To the Governor-General	Secret	October 21	Transmits copy of letter from the Admiralty to Commodore Hotham defining his position as Commodore, New Zealand Station.	130

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
OFFER OF WARSHIPS.					
(1) General.					
1919					
245	To the Governor-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	September 20	Inquires as to the requirements of the Dominions with regard to war vessels.	131
246	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	December 5	States that surplus warships of types referred to in No. 245 will be offered as gifts to Dominion Governments where such vessels are needed for the development of their naval forces.	131
(2) Canada.					
1919					
247	The Governor-General	Telegram	October 8 (Rec. Oct. 9)	Asks for information respecting the classes of the various types of ships to be disposed of.	132
248	To the Governor-General	Telegram	October 27	Forwards list of types and classes of war vessels for disposal.	132
249	Ditto ...	Telegram	November 4	Forwards further list of war vessels for disposal.	132
250	The Governor-General	Telegram	December 23 (Rec. Dec. 25)	Asks that the date of application for gift of warships may be extended to 15th March.	132
1920					
251	To the Governor-General	Telegram	January 30	States, in reply to No. 250, that Admiralty agree to an extension of date of application until 15th March.	133
252	The Governor-General	Telegram	March 13 (Rec. Mar. 13)	Requests further extension of dates of application for war vessels to 22nd March.	133
253	To the Governor-General	Telegram	March 18	States, in reply to No. 252, that Admiralty agree to a further extension of date to 22nd March.	133
254	The Administrator	Telegram	March 25 (Rec. Mar. 25)	States that Canadian Government will be glad to accept two destroyers and one light cruiser of the Bristol type; a Canadian officer will proceed to England to make necessary arrangements.	133

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
255	To the Governor General	Telegram	April 23	States, in reply to No. 254, that one Bristol class light cruiser and two "M" class destroyers are available, but Admiralty are unable to provide crews.	134
256	The Administrator	Telegram	May 7 (Rec. May 7)	States that Captain W. Hose is proceeding to England in about three weeks' time to take over the vessels referred to in No. 255.	134
257	To the Governor-General	Telegram	May 26	States that vessels named have been selected for presentation to Canada; inquires whether the necessary refitting shall be undertaken at the expense of the Canadian Government in the Royal Dockyards.	134
258	The Governor-General	Telegram	May 28 (Rec. May 29)	States that the High Commissioner is authorized to take over the three vessels presented to Canada; Captain W. Hose is proceeding to England to arrange for their reconditioning, etc.	134
259	Ditto	Telegram	June 12 (Rec. June 13)	States that Canadian Government gratefully accepts gift of torpedo-boat-destroyers "Patrician" and "Patriot," and requests estimate of cost of refitting and docking; Ministers trust that Admiralty will be able to spare a more modern vessel than the "Glasgow"; an oil-burner is especially desired.	135
260	To the Governor-General	Telegram	July 1	States, in reply to No. 259, that Admiralty is willing to substitute an oil-burning cruiser for the "Glasgow"; further information will be sent later.	135
261	Ditto	Telegram	July 23	Sends estimate of cost and time for repair of "Patriot" and "Patrician," and states that a similar estimate will be obtained for ship selected to replace the "Glasgow."	135
262	The Governor-General	Telegram	August 3 (Rec. Aug. 4)	States, in reply to No. 261, that Minister of Naval Service approves of work necessary to make "Patrician" and "Patriot" efficient fighting units being taken in hand.	135
263	To the Governor-General	Telegram	August 7	Offers "Aurora" or "Royalist" in substitution for "Glasgow."	136
264	The Governor-General	Telegram	August 16 (Rec. Aug. 17)	Accepts "Aurora."	136

(3) Commonwealth of Australia.

1919					
265	The Governor-General	Telegram	(Rec. Oct. 30)	Sends information as to probable requirements of Australia with regard to war vessels; requests that types indicated may be retained pending the Government's review of the naval position.	136

1919					
266	To the Governor General	Telegram	November 23	Regrets that request in No. 265 cannot be complied with, and urges that definite requirements as regards war vessels be put forward at earliest possible date.	136
267	Ditto	451	December 9	Transmits copy of letter from Admiralty to the High Commissioner offering H.M.S. "Encounter" as a gift to the Commonwealth Government.	137
268	The Governor-General	Telegram	(Rec. Dec. 25)	States that the Government hopes to communicate its decision with regard to the offer of warships early in the New Year.	137
1920					
269	To the Governor-General	Telegram	January 30	Indicates vessels available and urges that Ministers will put forward at earliest possible date concrete proposals for purchase of any of these which they may desire.	138
270	The Governor General	76	March 13 (Rec. Apr. 24)	Conveys thanks of the Commonwealth Government for the gift of H.M.S. "Encounter"; as she is to be used as a training ship asks that certain guns, etc., may be left on board.	138
271	To the Governor-General	230	June 19	Agrees to the armaments referred to in No. 270 being left on board, and states that they will be transferred to the Commonwealth Government as a free gift.	138
272	The Governor-General	Telegram	June 28 (Rec. June 28)	States that Commonwealth Government is unable to take advantage of offer of surplus trawlers.	139
273	Ditto	286	August 17 (Rec. Sept. 25)	Expresses thanks for the gift referred to in No. 271.	139

(4) New Zealand.

1919					
274	The Governor-General	Telegram	December 26 (Rec. Dec. 26)	States requirements of New Zealand Government with regard to warships; understands that H.M.S. "Chatham" has been earmarked for New Zealand, and inquires when the vessel should be taken over; assumes that the vessels are intended as gifts to the Government.	139
275	Ditto	Telegram	(Rec. Dec. 29)	Refers to No. 274 and requests that action re H.M.S. "Chatham" be suspended pending further consideration of the matter by the New Zealand Cabinet.	140
1920					
276	To the Governor-General	Telegram	March 15	Inquires whether decision as to naval policy communicated in No. 33 cancels application made in No. 274.	140
277	The Governor-General	Telegram	(Rec. Mar. 24)	States, in reply to No. 276, that Ministers do not at present wish to acquire the vessels referred to in No. 274.	140

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1920		
278	The Governor-General	Telegram	(Rec. Apr. 1)	States Navy material required for instructional purposes; expresses the hope that His Majesty's Government may be able to present these items as gifts.	141
279	The Administrator...	Telegram	(Rec. Sept. 4)	Requests reply to No. 278.	141
280	To the Administrator	Telegram	September 11	Gives list of guns, mountings, and stores for the "Philomel" to be supplied as a free gift to the Government of New Zealand.	141
281	The Administrator...	Telegram	(Rec. Sept. 25)	Accepts the offer of guns, etc., conveyed in No. 280.	142

(5) Union of South Africa.

			1919		
282	The Governor-General	Telegram	October 17 (Rec. Oct. 19)	States that Ministers cannot give information as to naval requirements pending discussion with Lord Jellicoe next year.	142
			1920		
283	Ditto ...	981	December 24, 1919 (Rec. Jan. 22, 1920)	Transmits Minute from Ministers stating that it will be quite impracticable for the Union Government to avail itself of the offer conveyed in No. 246 until Ministers have had an opportunity of consulting Lord Jellicoe and observing that the Union Government possess no war vessels of any description.	142

(6) Newfoundland.

			1920		
284	The Governor ...	7	January 12 (Rec. Jan. 23)	Acknowledges Nos. 245 and 246 and states that Ministers have referred the matter to the High Commissioner with the request that he will consult the Admiralty and the Secretary of State thereon.	143

OFFER OF MINES AND SINKERS.

			1919		
285	To the Governor-General	Canada, Commonwealth of Australia, New Zealand Telegram	November 14	Conveys offer of Admiralty to present mines and sinkers and the conditions attached thereto; inquires how many his Ministers would wish to have.	143
286	The Governor-General	Canada Telegram	December 22 (Rec. Dec. 23)	States that the Naval Service Department do not at present desire to avail themselves of the offer of mines and sinkers.	144
			1920		
287	Ditto ...	New Zealand Telegram	(Rec. Feb. 5)	States that Government while appreciating offer of mines and sinkers, have decided not to acquire any "H" mines.	144

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1920		
288	The Governor-General	Commonwealth of Australia Telegram	February 13 (Rec. Feb. 13)	States that Commonwealth Government will be glad to accept 2,000 mines.	144

OFFER OF SUBMARINES, 1919.

			1919		
289	To Sir R. Borden (Prime Minister)	Canada	January 24	States that the Admiralty propose to offer as a gift to the Canadian Naval Forces two submarines, and inquires whether the gift would be accepted by the Canadian Government.	145
290	To Mr. W. M. Hughes (Prime Minister)	Commonwealth of Australia	January 24	States that the Admiralty proposes to offer as a gift to the Royal Australian Navy six destroyers and six submarines, and inquires whether the Commonwealth Government would wish to accept the offer.	145
291	To the Governor-General	Canada 36	January 29	Notifies the offer by the Admiralty of two submarines as a gift to the Canadian Naval Forces.	145
292	Ditto ...	Commonwealth of Australia 40	January 28	Notifies the offer by the Admiralty of six destroyers and six submarines as a gift to the Royal Australian Navy.	146
293	Sir R. Borden (Prime Minister)	Canada Telegram	(Rec. Jan. 31)	States that the Canadian Government will accept with deep appreciation the proposed gift of two submarines.	146
294	Mr. W. M. Hughes (Prime Minister)	Commonwealth of Australia	January 28	Expresses thanks for the offer made in No. 290 which he is conveying to the Commonwealth Government.	146
295	Sir R. Borden (Prime Minister)	Canada	January 31	States that Canadian Government will accept the gift of two submarines.	146
296	To the Governor-General	Canada Telegram	February 7	States that the offer of submarines has been accepted by the Canadian Government.	147
297	Ditto ...	Commonwealth of Australia Telegram	February 7	Refers to the offer of a gift of warships to the Commonwealth Government, and states that Mr. Hughes is in communication with his Government on the matter.	147
298	Ditto ...	Commonwealth of Australia Telegram	February 14	Inquires whether Commonwealth Government will accept offer made in No. 297.	147
299	The Governor-General	Canada Telegram	February 15 (Rec. Feb. 15)	States that his Government has learned with pleasure of the acceptance by Sir R. Borden of the submarines referred to in No. 291.	148
300	Ditto ...	Commonwealth of Australia Telegram	(Rec. Feb. 20)	States that Commonwealth Government gratefully accepts the offer of destroyers and submarines.	148
301	To the Governor-General	Canada 63	February 20	Transmits copy of No. 295.	148

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
303	To the Governor-General	Commonwealth of Australia Telegram	1919 March 1	Sends lists of vessels to be presented to Royal Australian Navy.	148

UNION OF SOUTH AFRICA.

Naval Defence.

303	The Governor-General	Telegram	1920 June 29 (Rec. June 30)	States that Ministers, who are considering an increase of strength of South African division of R.N.V.R., inquire whether Admiralty could place at their disposal from two to twelve vessels which could be used for mine-sweeping when required, but normally for trawling, whaling, or fishery research.	149
304	Ditto ...	420	June 29 (Rec. July 23)	Encloses, in confirmation of No. 303, copy of Ministers' Minute; refers to the work done by the loaned whaler "Pickle" in connexion with fishery research.	149
305	To the Acting Governor-General	Confidential	October 28	States, with reference to Nos. 303 and 304, that Admiralty welcomes the proposed increase in the South African R.N.V.R., and they desire to learn what classes of officers and men are to be included, the extent of the proposed training, and availability for rapid transit; quotes prices for vessels of several classes, and states that Admiralty are not authorized to transfer such vessels as a free gift, as they have a commercial value.	150

NAVAL, MILITARY, AND AIR DEFENCE. 502CORRESPONDENCE WITH THE SELF-GOVERNING DOMINIONS,
1916-1920.RESOLUTIONS OF
IMPERIAL WAR CONFERENCE, 1917.

RESOLUTION I: DEMOBILIZATION.

It was agreed that all Dominion contingents in France should start as soon as possible with their equipment from a French or Belgian port, but arrangements will be made to give individual soldiers desiring to visit this country furlough for that purpose.

35261

No. 1.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 510. Confidential.)

[MY LORD DUKE,] [SIR,] [MY LORD,] Downing Street, 9th August, 1917.

WITH reference to my Confidential despatch Dominions No. 258, of the 25th of April,* I have the honour to transmit to [Your Excellency,] [you,] for the information of Your Ministers, the accompanying extracts† from the Proceedings of the Imperial War Conference, as revised, on the subject of the demobilization of the Dominion contingents.

I have, &c.,

WALTER H. LONG.

Note.—This despatch was followed by a certain amount of correspondence with the Dominion Governments on various aspects of the demobilization problem. This correspondence, however, raised no new point of principle, and, therefore, is not included here. The whole question of demobilization was further discussed at the Imperial War Conference, 1918. See pages 137 to 148 of Dominions No. 69, and Resolution No. XVII of the 1918 Conference.

* 18991, not printed; it transmitted copies of the proceedings at the Imperial War Conference on 24th March, relating to demobilization.

† Pages 2-15, and pages 249-253 of Dominions No. 62.

RESOLUTION II.: UNIFORMITY OF EQUIPMENT.

That this Conference, recognizing the importance of assimilating as far as possible the military stores and equipment of the Imperial forces throughout the Empire, recommends that an expert Committee representative of the military authorities of the United Kingdom, the Dominions, and India be appointed as early as possible to consider the various patterns in use with a view to selecting standard patterns for general adoption as far as the special circumstances of each country admit.

and

RESOLUTION III.: TRAINING OF ORDNANCE PERSONNEL.

This Conference is of opinion that it is desirable that the ordnance personnel of the military organizations of the Empire should, as far as possible, be trained on the same methods and according to the same principles, and that to secure this end selected officers of the ordnance service from all parts of the Empire should be attached for adequate periods to the Imperial Ordnance Department.

35263

No. 2.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 491. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 30th July, 1917.

I HAVE the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, printed copies of the proceedings of the Imperial War Conference, and of the memorandum laid before the Conference,* regarding the desirability of assimilating as far as possible the military stores and equipment, and the training of the ordnance personnel, of the Imperial forces throughout the Empire

2. I am in communication with the Army Council with reference to the action needed in order to give effect to the two resolutions passed by the Conference on these subjects.

I have, &c.,

WALTER H. LONG.

44570

No. 3.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

[Answered by No. 4.]

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 630. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 2nd October, 1917.

WITH reference to my Confidential despatch Dominions No. 491, of the 30th July,† I have the honour to request [Your Excellency] [you] to inform your Ministers that the Army Council state, as regards resolution No. II. passed by the Imperial War Conference, that they do not consider it advisable to constitute a committee, during the War, to consider the question of assimilating military stores, equipment, etc., throughout the Empire, though they consider that after the War such a committee should be very useful.

* See extracts from pages 15-23, 27-37, 253-6, of Dominions No. 62.

† No. 2.

2. As regards resolution No. III., relating to the training of ordnance personnel, the Army Council offer the following observations:—Officers of the Imperial service who successfully pass the course at the Ordnance College (details concerning which are set out in paragraphs 738 to 743 of the King's Regulations) thereby become eligible for employment with the Army Ordnance Department, and as vacancies occur therein they are filled by selection from officers so qualified.

3. Such officers are on appointment posted to stations where, under the supervision of the senior departmental officers, they are led to apply the principles acquired at the college to the everyday working of the Department.

4. At the end of seven years' employment with the Department they become eligible for permanent transfer thereto. It will thus be seen that the training of an Imperial ordnance officer before permanent transfer consists of about one year's academical study and of seven years' practical work.

5. As regards the application of this comprehensive training to the Dominion officers, who, in the terms of the resolution of the Conference, may be selected to undergo it, the Army Council state that they are of opinion that the college course should normally be regarded as an essential condition; and they would be fully prepared to arrange for the subsequent attachment to the Army Ordnance Department of any Dominion officer successfully completing that course. The duration of such attachment would appear to be a question to be settled with the military authorities of each Dominion, and to depend upon the length of time during which the officers in question could be spared from their duties in the Dominion.

The Council feel, however, that one year's attachment—over and above the college course—should be regarded as the minimum calculated to ensure a sound acquaintance with the Imperial procedure.

6. The Army Council state that a few vacancies for Dominion officers at the Ordnance College courses are always available, but, as it may be difficult at the present time to arrange for their attendance at these courses, the Army Council are fully prepared to arrange for the attachment of such officers to the Army Ordnance Department, both at home and in the field, for practical work and instruction, as, indeed, several are at the present time. In this connexion it is suggested that, if the authorities of the Dominion forces will communicate with the Director of Equipment and Ordnance Stores at the War Office, the necessary arrangements in detail can be made.

7. The Army Council add that the training necessary should also be applied to technical branches, such as inspectors of ordnance machinery, assistant inspectors of armourers, armament artificers, armourers, laboratory foremen, etc., for whose training courses and practical work can be arranged

I have, &c.,

WALTER H. LONG.

22957

No. 4.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10th May, 1918.)

(Confidential.)

SIR,

Wellington, 9th March, 1918.

I HAVE the honour to inform you that I duly brought under the notice of my Ministers your Confidential despatch Dominions No. 630, dated 2nd October, 1917,* with reference to the Imperial War Conference resolution, No. III., relating to the training of Ordnance personnel.

2. My Prime Minister informs me that the New Zealand Government have expressed their concurrence in the proposals outlined in the despatch, and that they have requested Lieutenant-General Sir Alexander Godley to select two New Zealand officers for the special training, and to communicate with the Director of Equipment and Ordnance Stores at the War Office in order that the necessary detailed arrangements can be made.

I have, &c.,

LIVERPOOL.

Governor-General.

* No. 3.

59225

No. 5.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 1.40 p.m., 22nd October, 1919.)

TELEGRAM.

[Answered by Nos. 7, 8, 9, and 10.]

(Canada.)
 (Commonwealth of Australia.)
 (New Zealand.)
 (Union of South Africa.)

22ND OCTOBER. Referring to my despatch of 2nd October, 1917, Dominions No. 630, Confidential,* War Office now propose to appoint Committee under chairmanship of Major-General Sir R. Whigham, to consider question of future military equipment, with following terms of reference:—

Begin.—(1) Examine reports received from theatres of war regarding suitability present equipment army. Consider and advise on proposals for improvement in pattern, both as regards military and economic effects.

(2) Consider, apart from these reports, how far lessons recent War have taught curtailment impedimenta, and in what details reductions of equipment can be effected without lessening military efficiency. Economic effect of such reductions.

(3) Consider what additions to equipment necessary. Military and economic effect of same.

(4) Committee to proceed on assumption that normal equipment of army devised for service in temperate climate, such as Western Europe.

(5) Recommendations for special equipment, which should be regarded as generally supplementary to normal equipment, should be made for probable and specific theatres of war, such as Egypt, Mesopotamia, and India.

(6) Committee throughout deliberations to be guided by principle that uniformity of equipment throughout armies of Empire essential consideration.—*Ends.*

Hoped that your Ministers will nominate representative on this Committee as soon as possible, as desired to commence meetings. Please telegraph reply.—MILNER.

61837

No. 6.

NEWFOUNDLAND.

THE SECRETARY OF STATE TO THE GOVERNOR.

(Sent 12.30 p.m., 30th October, 1919.)

TELEGRAM.

[Answered by No. 12.]

30TH OCTOBER. Referring to my despatch of 2nd October, 1917, Dominions No. 630 Confidential,* War Office now propose to appoint Committee under chairmanship of Major-General Sir R. Whigham, to consider question of future military equipment, with following terms of reference:—

(See No. 5.)

Would your Ministers desire to appoint representative? Please telegraph reply.—MILNER.

* No. 3.

62771

No. 7.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 7.20 p.m., 1st November, 1919.)

TELEGRAM.

31ST OCTOBER. Your telegram, 22nd October,* Military Equipment Committee. Ministers state that representative of the Union will be nominated through High Commissioner in London, to whom cable was despatched on the 28th instant.—BUXTON.

Note.—Lieutenant-Colonel J. Mitchell Baker, D.S.O., was subsequently nominated as Union representative.

65548

No. 8.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 9.10 a.m., 15th November, 1919.)

TELEGRAM.

15TH NOVEMBER. Your telegram 22nd October.* Prime Minister states that Government of New Zealand have already agreed to standardize with the Imperial Government with regard to Army matters. It is, therefore, not considered necessary at present to take advantage of offer to nominate special representative on the proposed Committee.—LIVERPOOL.

66806

No. 9.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 3.55 p.m., 21st November, 1919.)

TELEGRAM.

21ST NOVEMBER. With reference to your telegram 22nd October,* Government of Commonwealth of Australia nominates Brigadier-General Jess as Australian representative on proposed Committee to consider question future military equipment throughout Empire. Jess, now Australian Imperial Force Headquarters, London, has been informed.—MUNRO FERGUSON.

72347

No. 10.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 20th December, 1919.)

(No. 880.)

MY LORD,

Government House, Ottawa, 5th December, 1919.

With reference to your telegram of the 22nd October* respecting future military equipment, I have the honour to enclose, herewith, copies of an approved minute of the Privy Council for Canada appointing Lieutenant-Colonel J. M. Prower, D.S.O., as Canadian representative of the Committee to be appointed by the War Office to consider this question.

I have, &c.,

DEVONSHIRE.

* No. 5.

Enclosure in No. 10.

(P.C. 2377.)

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 29TH NOVEMBER, 1919.

THE Committee of the Privy Council have had before them a report, dated 21st November, 1919, from the Acting Secretary of State for External Affairs, with reference to a telegraphic despatch to Your Excellency from the Secretary of State for the Colonies, dated the 22nd October, 1919, asking that a Canadian representative might be nominated on a committee to be appointed by the War Office to consider the question of future military equipment;

The Minister states that the Minister of Overseas Military Forces recommends for nomination to this committee Lieutenant-Colonel J. M. Prower, D.S.O., to whom instructions might be conveyed through Major-General J. H. MacBrien, C.B., C.M.G., etc., Chief of the General Staff, Overseas Military Forces of Canada, Argyll House, 246, Regent Street, London;

The Minister concurs in this recommendation;

The Committee, therefore, on the recommendation of the Acting Secretary of State for External Affairs, advise that Your Excellency may be pleased to inform the Secretary of State for the Colonies that Colonel Prower has been nominated as Canadian representative on the committee referred to.

F. K. BENNETTS,
Assistant Clerk of the Privy Council.

72516

No. 11.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered by No. 12.]

(Canada. No. 25.)
(Commonwealth of Australia. No. 10.)
(New Zealand. No. 6.)
(Union of South Africa. No. 11.)
(Newfoundland. No. 5.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 7th January, 1920.

WITH reference to Viscount Milner's telegram of the [22nd of October,*] [30th of October,†] I have the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, a copy of an amended statement of the terms of reference of the committee appointed by the Army Council to consider the subject of future military equipment.

[To Newfoundland only: 2. In the absence of a reply to the telegram under reference, it is assumed that your Ministers do not desire to appoint a representative to the committee.]

I have, &c.,
(for the Secretary of State)
L. S. AMERY.

Enclosure in No. 11.

EQUIPMENT COMMITTEE.

Amended Terms of Reference.

1. To examine reports received from theatres of war in regard to the suitability of the present equipment of the Army falling under the category of Vote 8, Stores, and General Service Vote 9, Stores.

2. To consider and advise on proposals for improvements in pattern both in regard to their military and economic effects.

* No. 5. † No. 6.

3. To inquire into new equipments, coming under the above category, introduced during the War, with a view to ascertaining the desirability of their retention or improvement in design.

4. It may be assumed that the normal equipment of the Army is devised for service in a temperate climate such as Western Europe.

5. Recommendations for special equipment should be made for probable and specific theatres of war, such as Egypt, Mesopotamia, and India, and should be regarded as generally supplementary to the normal equipment.

6. The Committee in their deliberations should be guided by the principle that uniformity of equipment throughout the Armies of the Empire is an essential consideration.

7. The Committee are empowered to call such evidence and the attendance of such witnesses as they consider desirable.

14838

No. 12.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 22nd March, 1920.)

(No. 27.)

SIR, Government House, St. John's, 2nd March, 1920.
I HAVE the honour to acknowledge the receipt of your telegram of the 30th October, 1919, and your despatch No. 5 of the 7th January, 1920,* on the subject of the appointment of a Committee to consider the subject of future military equipment.

2. I am now in a position to state that the assumption in your despatch under acknowledgment, that my Ministers do not desire to appoint a representative to the Committee, is correct.

I have, &c.,
C. ALEXANDER HARRIS.

34953

No. 13.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered by Nos. 14, 15, 16, 17, and 18.]

(Canada,
(Commonwealth of Australia,
(New Zealand,
(Union of South Africa,
(Newfoundland.) } Dominions No. 295.)

[MY LORD,] [SIR,] Downing Street, 27th July, 1920.

WITH reference to my despatch No. [25] [10] [6] [11] [5] of the 7th January,† and connected correspondence, relative to the Committee appointed by the Army Council to consider the subject of future military equipment, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the report‡ drawn up by that Committee.

2. The Army Council do not desire that executive action on this report should be taken for the present.

3. The Army Council are now about to establish a Standing Committee to consider and report upon any questions referred to them of clothing and equipment of the Army (excluding stores provided under votes administered by the Master-General of the Ordnance) and of experimental subjects requiring trial which are not dealt with by other technical committees. This Standing Committee will *inter alia* consider the question raised in Part I, paragraph 6, and Part III, paragraph 2 (2) of the Equipment Committee's report.

4. It has been decided to appoint a number of Associate Members of the

* Nos. 6 and 11. † No. 11. ‡ Not printed: War Office Number A2800.

Standing Committee who will attend meetings when questions are under discussion of which they have special knowledge and experience, or in which the Departments which they represent are interested, and the Army Council have inquired whether the Dominion Governments will similarly nominate representatives to serve as Associate Members. I should be glad to be advised whether your Ministers would wish to appoint a representative and, if so, whom, to serve in this capacity.

I have, &c.,
MILNER.

43767

No. 14.
CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.
(Received 3rd September, 1920.)

(No. 530.)

MY LORD, Government House, Ottawa, 19th August, 1920.
With reference to your despatch No. 295, Dominions, of the 27th July last,* on the subject of the appointment of a Canadian representative to serve on a Standing Committee to consider the subject of future military equipment, I have the honour to state that Lieutenant-Colonel T. V. Anderson, D.S.O., at present attending the Staff College, Camberley, has been appointed to represent the Dominion Government as an Associate Member on this Committee until the end of December, 1920, after which another officer who will be at the Staff College, will be nominated.

The Minister of Militia and Defence would appreciate it if the meetings of the Committee should be so arranged that Colonel Anderson can attend without affecting his work at the Staff College.

I have, &c.,
DEVONSHIRE.

48812

No. 15.
NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.
(Received 4th October, 1920.)

(No. 156.)

MY LORD, Government House, St. John's, 16th September, 1920.
I HAVE the honour to acknowledge the receipt of your despatch Dominions No. 295 of the 27th July,* on the subject of the proposal of the Army Council to appoint a Standing Committee to consider the subject of future military equipment, and to inform you that my Ministers do not wish to appoint a representative from Newfoundland to serve as an Associate Member on that Committee.

I have, &c.,
C. ALEXANDER HARRIS.

52578

No. 16.
UNION OF SOUTH AFRICA.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.
(Received 26th October, 1920.)

(No. 688.)

MY LORD, Governor-General's Office, Pretoria, 6th October, 1920.
I HAVE the honour to transmit to you herewith, with reference to Your Lordship's despatch Dominions No. 295 of the 27th July, 1920,* copy of a minute from Ministers dated 1st October, 1920, on the subject of a Union representative as an Associate Member of a Standing Committee on clothing and equipment of the Army.

I have, &c.,
J. ROSE INNES,
Acting Governor-General.

* No. 13.

Enclosure in No. 16.

MINUTE 1050.

Prime Minister's Office, 1st October, 1920.

MINISTERS have the honour to acknowledge the receipt of minute No. 49/769, dated 21st August, 1920, from His Excellency the Governor-General transmitting despatch Dominions No. 295 from the Secretary of State for the Colonies, dated 27th July, 1920 (with enclosures, four copies).

Ministers have the honour to state that they do not consider the appointment of a Union representative as an Associate Member of the Standing Committee necessary.

J. C. SMUTS.

57682

No. 17.
NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.
(Received 24th November, 1920.)

(No. 157.)

MY LORD, Government House, Wellington, 1st October, 1920.
I HAVE the honour to acknowledge the receipt of Your Lordship's despatch of the 27th July, Dominions No. 295,* intimating that the Army Council are about to establish a Standing Committee to consider and report upon any questions referred to them of clothing and equipment of the Army, and of experimental subjects requiring trial which are not dealt with by other technical committees.

2. In view of there being no New Zealand officer available in England, it is regretted that my Government cannot avail themselves of the Army Council's invitation to nominate a representative to serve as an Associate Member of this Committee.

I have, &c.,
JELlicoe,
Governor-General.

7755

No. 18.
COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.
(Received 17th February, 1921.)

(No. 474.)

MY LORD, Governor-General's Office, Melbourne, 31st December, 1920.
With reference to your despatch of the 27th July, Dominions No. 295,* relative to the establishment of a Standing Committee of the Army Council to consider and report upon questions of clothing and equipment, I have the honour to inform Your Lordship that I am advised by my Prime Minister that the Commonwealth Government desires to avail itself of the opportunity to appoint an associate member of the Committee in question, and nominates as its representative Lieutenant-Colonel P. N. Buckley, Military Adviser at the office of the High Commissioner for Australia, London.

Lieutenant-Colonel Buckley is being informed of his nomination, and my Ministers would be glad if Your Lordship will be so good as to arrange for the necessary advices in regard to the work of the Committee to be forwarded to him direct from the War Office.

I have, etc.,
FORSTER,
Governor-General.

* No. 13.

RESOLUTION IV.: NAVAL DEFENCE.

That the Admiralty be requested to work out immediately after the conclusion of the War what they consider the most effective scheme of Naval Defence for the Empire for the consideration of the several Governments summoned to this Conference, with such recommendations as the Admiralty consider necessary in that respect for the Empire's future security.

35264

No. 19.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada. (Commonwealth of Australia. (New Zealand. (Union of South Africa. (Newfoundland.	} Dominions No. 506. Confidential.)
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Downing Street.

8th August, 1917.

[MY LORD DUKE,] [SIR,] [MY LORD,]

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, copies of the text of the proceedings at the Imperial War Conference relative to the naval defence of the Empire.*

The resolution of the Conference on this subject has been communicated to the Lords Commissioners of the Admiralty.

I have, &c.,

WALTER H. LONG.

48348/S

No. 20.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada. (Commonwealth of Australia. (New Zealand. (Union of South Africa (Newfoundland.	} Secret.)
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[MY LORD DUKE,] [SIR,] [MY LORD,] Downing Street, 16th October, 1918.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, a copy of a memorandum on naval defence drawn up by the Admiralty. This memorandum was put down for discussion at the Imperial War Conference, but, at the meeting of 24th July, as will be seen from the extract† enclosed, it appeared that it was the wish of the Conference that the memorandum should not be discussed in the Conference, but should be discussed directly with the Admiralty. The Prime Minister of Canada subsequently consulted the Prime Ministers of the other Dominions on the subject, and I enclose a copy of a letter from Sir R. Borden to the First Lord of the Admiralty informing him of the result of the consultation. The matter is receiving the further consideration of the Admiralty.

I have, &c.,

WALTER H. LONG.

Enclosure in No. 20.

Offices of the War Cabinet.

DEAR SIR ERIC GEDDES, 2, Whitehall Gardens, S.W.1, 15th August, 1918.

I AM afraid the brevity of the time at my disposal will prevent me bringing up in the Imperial War Cabinet the subject dealt with in the Admiralty memorandum.

* Pages 53-60, 68-81, and 82 of Dominions No. 62.

† See pages 340-51 of Dominions No. 69.

‡ Proceedings of 15th day: see pages 166-8 of Dominions No. 69.

I have, however, consulted the Prime Ministers of the Dominions, who (with the exception of the Prime Minister of Newfoundland) have expressed their approval of the accompanying memorandum.

The Prime Minister of Newfoundland has been requested to communicate with you direct on the subject.

Faithfully yours,

R. L. BORDEN.

The Right Honourable

Sir Eric Geddes, K.C.B., G.B.E., M.P.

MEMORANDUM.

THE Dominion Ministers, having considered the Admiralty memorandum of 17th May, 1918, on the naval defence of the British Empire, which was circulated to the Imperial War Conference, 1918, submit the following conclusions and observations.

1. The proposals set forth in the Admiralty memorandum for a single navy at all times under a central naval authority are not considered practicable.

2. Purely from the standpoint of naval strategy the reasons thus put forward for the establishment of a single navy for the Empire, under a central naval authority, are strong but not unanswerable. The experience gained in this war has shown that in time of war a Dominion Navy (e.g., that of Australia) can operate with the highest efficiency as part of a united navy under one direction and command established after the outbreak of war.

3. It is thoroughly recognized that the character of construction, armament and equipment, and the methods and principles of training, administration, and organization should proceed upon the same lines in all the navies of the Empire. This policy has already been followed in those Dominions which have established naval forces.

4. For this purpose the Dominions would welcome visits from a highly qualified representative of the Admiralty, who, by reason of his ability and experience, would be thoroughly competent to advise the naval authorities of the Dominions in such matters.

5. As naval forces come to be developed upon a considerable scale by the Dominions it may be necessary hereafter to consider the establishment for war purposes of some supreme naval authority upon which each of the Dominions would be adequately represented.

62244

No. 21.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Canada. (Commonwealth of Australia. (Australia. (New Zealand.	} Secret)
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[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 3rd January, 1919.

WITH reference to my Secret despatch of the 16th October,* regarding the naval defence of the Empire, I have the honour to transmit to Your Excellency, to be laid before your Ministers, a copy of instructions drawn up by the Lords Commissioners of the Admiralty for Admiral Viscount Jellicoe, who, in accordance with invitations already received, has been deputed by their Lordships to visit Canada, Australia, and New Zealand early in the present year to advise in regard to naval matters.

I have, &c.,

WALTER H. LONG.

* No. 20.

Enclosure in No. 21.

(ENCLOSURE TO ADMIRALTY LETTER, 23RD DECEMBER, 1918.)

Instructions for Lord Jellicoe.

1. THE Admiralty have had under their consideration the invitation contained in the memorandum of 15th August from the Dominion Ministers,* stating that the Dominions would welcome visits from a highly qualified representative of the Admiralty for purposes of advice.

2. Whilst the Admiralty do not depart from their declared views as to what would be the most effective scheme of naval defence of the Empire, they cordially recognize that the main object of this invitation is the promotion of uniformity in naval organization and training and types of naval material throughout the Empire, with a view to efficient naval co-operation.

3. They therefore propose to depute Lord Jellicoe to visit the Dominions to advise the Dominion authorities whether, in the light of the experience of the War, the scheme of naval organization which has been adopted, or may be in contemplation, requires reconsideration, either from the point of view of the efficiency of that organization for meeting local needs, or from that of ensuring the greatest possible homogeneity and co-operation between all the naval forces of the Empire.

4. Should Dominion authorities desire to consider how far it is possible for the Dominion to take a more effective share in the naval defence of the Empire, he will give assistance from the naval point of view in drawing up a scheme for consideration.

62244

No. 22.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Secret.)

MY LORD,

Downing Street, 11th January, 1919.

WITH reference to my Secret despatch of the 16th October last† regarding the naval defence of the Empire, I have the honour to request Your Excellency to inform your Ministers that, in accordance with invitations received, the Lords Commissioners of the Admiralty have deputed Admiral Viscount Jellicoe to visit Canada, Australia, and New Zealand early in the present year to advise in regard to naval matters. I enclose a copy of the instructions‡ which have been drawn up by the Lords Commissioners of the Admiralty for Lord Jellicoe.

2. General Botha, on his arrival in this country, was asked whether a visit from Lord Jellicoe to South Africa would be acceptable to the Union Government, and has now informed Lord Jellicoe that he hopes that he will visit South Africa.

3. A copy of the Admiralty instructions has been given to General Botha.

I have, &c.,

WALTER H. LONG.

10343

No. 23.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 4.35 p.m., 22nd February, 1919.)

TELEGRAM.

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

FOLLOWING approximate dates Lord Jellicoe's tour. Full itinerary by mail.

21st February left Portsmouth:

13th March to 1st May, India:

* See memorandum in No. 20. † No. 20. ‡ Enclosure in No. 21.

15th May to 15th August, Australia;

18th August to 1st October, New Zealand;

20th October to 1st January, 1920, Canada;

7th March to 20th April, 1920, South Africa.

Above dates tentative only, depending on whether work can be completed satisfactorily in time allowed.

[To Australia and New Zealand: In course of Lord Jellicoe's stay Australia, H.M.S. "New Zealand" will visit principal ports New Zealand June and July, returning Sydney re-embark him about 15th August.]—MILNER.

10343

No. 24.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Canada. No. 74.)

(Commonwealth of Australia. No. 87.)

(New Zealand. No. 36.)

(Union of South Africa. No. 80.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 28th February, 1919.

WITH reference to my telegram of the 22nd of February,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copy of the proposed programme of the tour of Admiral Viscount Jellicoe in H.M.S. "New Zealand."

2. The Lords Commissioners of the Admiralty have approved of Lord Jellicoe's having a status equivalent to that held by a Commander-in-Chief, whilst in charge of the mission.

I have, &c.,

MILNER.

Enclosure in No. 24.

VISIT TO INDIA AND DOMINIONS OF ADMIRAL VISCOUNT JELlicoe IN H.M.S. "NEW ZEALAND."

Proposed itinerary of Tour.

NOTE.—Dates must be regarded as purely tentative, as they depend mainly on whether the work in the various Dominions can be completed satisfactorily in the time allowed.

Arrive.	Place.	Leave.	Distance.	Remarks.
1919.		1919.	Miles.	
—	Portsmouth	21st February		
24th February, a.m.	Gibraltar	25th February, p.m.	1,150	A minimum estimate. Another day probably necessary at Port Said or Suez.
2nd March, p.m.	Port Said	4th March, a.m.	1,918	
4th March, p.m.	Suez	5th March	83	
13th March	Bombay	...	2,964	
(Coal at Port Said, 2,500 tons. Oil at Suez, 600 tons. Coal at Bombay, 1,750 tons. Oil at Bombay, 600 tons. Remain at Bombay about six weeks. Coal and oil before leaving.)				
		About—		
—	Bombay	1st May		
4th May	Colombo	5th May	910	Refuel and oil.
15th May	Albany (King George's Sound)	...	3,400	Possibly coal and oil.
(Lord Jellicoe will probably disembark at Albany).				
—	Albany	...		
—	Melbourne	...	1,260	
About 31st May	Sydney	...	640	
During June or July	New Zealand	...	1,146	

(Ship visits principal ports in New Zealand, returning to Sydney to re-embark Lord Jellicoe about 16th August.)

* No. 23.

Arrive.	Place.	Leave.	Distance.	Remarks.
1919. 15th August 18th August	Sydney New Zealand	1919. 15th August ...	Miles. 1,145	
(Leave New Zealand about 1st October.)				
20th October	San Francisco, Esquimalt, and Vancouver	...	...	Via Fiji, Samoa, &c., and Honolulu.
(Lord Jellicoe probably disembarks for Ottawa.)				
1920.		1920. About—		
8th January	British Columbia	1st January	2,343	Coal and oil.
21st January	Honolulu	12th January	3,389	Coal and oil.
1st February	Yokohama	28th January	1,584	
8th February	Hong Kong	4th February	1,460	Oil if necessary.
14th February	Singapore	10th February	1,567	Coal and oil.
25th February	Colombo	18th February	2,500	Fuel.
	Mombasa (Kilindini)	1st March		
7th March	South Africa	20th April	2,050	
25th April	St. Helena	29th April	1,660	
28th April	Ascension	29th April	720	
3rd May	St. Vincent	5th May	1,650	Coal and oil.
11th May	Plymouth	...	2,130	

10343

No. 25.

NEWFOUNDLAND.

THE SECRETARY OF STATE TO THE GOVERNOR.

(No. 20.)

SIR, Downing Street, 28th February, 1919.
I HAVE the honour to transmit to you, to be laid before your Ministers, the accompanying copy of the proposed programme* of the tour of Admiral Viscount Jellicoe in H.M.S. "New Zealand."

2. The Lords Commissioners of the Admiralty have approved of Lord Jellicoe's having a status equivalent to that held by a Commander-in-Chief, whilst in charge of the mission.

I have, &c.,
MILNER.

18760

No. 26.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada. (Commonwealth of Australia. (New Zealand. (Union of South Africa. (Newfoundland.	} Dominions No. 246.)
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[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 3rd April, 1919.
WITH reference to my despatch No. [74,] [87,] [36,] [80,] [20,] of the 28th February,† I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, a copy of an amended programme of the tour of Admiral Viscount Jellicoe in H.M.S. "New Zealand."

I have, &c.,
MILNER.

* Enclosure in No. 24. † Nos. 24 and 25.

Enclosure in No. 26.

TOUR OF ADMIRAL VISCOUNT JELlicoe IN H.M.S. "NEW ZEALAND."

*Amended programme of proposed ports of call and dates after completion of work in Canada.**

Arrive.	Place.	Leave.	Distance.	Remarks.
1919. 20th October	Vancouver	...	...	Via Fiji, Samoa, &c., and Honolulu.

Lord Jellicoe will disembark for Ottawa, rejoining the ship at San Francisco about 1st January 1920, and afterwards keeping approximately to the following:—

1920.		1920.	Miles.
10th January	San Francisco	1st January	3,270
12th January, p.m.	Panama	12th January, a.m.	44
16th January	Colon	12th or 13th January	1,200
26th January	Trinidad	20th January	2,040
29th January	Pernambuco	26th January	1,080
12th February	Rio de Janeiro	3rd February	3,202
	Cape Town — Calling at Tristan da Cunha en route.		

Lord Jellicoe proposes to spend about six weeks at South Africa, and a day at Delagoa Bay; returning via the Suez Canal or the Cape, and arriving in England probably about the 1st May, 1920; the return route to be governed by the date on which the work in South Africa is completed. Should the mission, and consequently the date of leaving Delagoa Bay, be delayed, for any reasons, so far ahead as the month of May, the return to England by the east coast of Africa would not be taken; and in these circumstances the return would be made via the Cape, St. Helena, Ascension, and St. Vincent.

60596

No. 27.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 6.20 a.m., 22nd October, 1919.)

TELEGRAM.

[Answered by No. 29.]

20TH OCTOBER. Your despatch 20th August, No. 435,† Lord Jellicoe's visit Whenever Lord Jellicoe arrives he will be welcome. But it will be, for local reasons, somewhat inconvenient if he arrived about first week in February. Will suit us all better if his visit could be timed to nearer end of February. Please let me know as early as possible when approximate or definite date can be stated, as both Prime Minister and myself have to make engagements considerable time ahead.—Buxton.

*Note.—These dates were subsequently modified to some extent, particulars being communicated to the Dominion Governments concerned at the time. The visit to South Africa was abandoned. (See note to No. 30.)

† 46569: not printed. This enclosed certain amendments in Lord Jellicoe's itinerary.

61185

No. 28.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 24th October, 1919.)

(No. 282.)

MY LORD, Governor-General's Office, Melbourne, 5th September, 1919.
 With reference to previous correspondence on the subject of arrangements for Admiral of the Fleet Viscount Jellicoe to visit Canada, Australia, and New Zealand to advise in regard to naval matters, I have the honour to inform Your Lordship that immediately prior to leaving for New Zealand, on the 16th August, Lord Jellicoe presented to me his report* in respect of the Commonwealth, which is now receiving the attention of Ministers. After completing the report, Lord Jellicoe paid a special visit to Melbourne in order to discuss its contents with the Acting Prime Minister and members of the Government.

I have, &c.,

R. M. FERGUSON,
 Governor-General.

63332

No. 29.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.35 a.m., 14th November, 1919.)

TELEGRAM.

[Answered by No. 30.]

14TH NOVEMBER. Your telegram of 20th October.† On grounds of expense, Admiralty averse to prolonging cruise of H.M.S. "New Zealand," and would prefer to keep to date of arrival, namely, 7th February, which is given in revised itinerary. See my despatch of 27th October, No. 567.‡ Unless seriously inconvenient to you and your Ministers, Admiralty hope this arrangement may stand.—MILNER.

68321

No. 30.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.55 p.m., 30th November, 1919.)

TELEGRAM.

26TH NOVEMBER. Your telegram 14th November,§ and your despatch 27th October, No. 567.‡ We note that Lord Jellicoe will arrive 7th February, and will arrange accordingly.¶—BURTON.

* See note to No. 31. † No. 27. ‡ 59623: not printed; this enclosed a further revised itinerary. § No. 29.

¶ Note.—It was subsequently decided to postpone Lord Jellicoe's visit to South Africa, an announcement to this effect being made by Admiralty on 19th January, 1920. (See 73401/19, 500/S/20, 501/S/20, 2039/S/20, and 3611/S/20: not printed.)

753

No. 31.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5th January, 1920.)

(No. 363.)

MY LORD, Governor-General's Office, Melbourne, 19th November, 1919.
 With reference to my despatch of the 5th September, No. 282,* I have the honour to inform Your Lordship that Admiral of the Fleet Viscount Jellicoe's Report on the Naval Defence of Australia was presented to both Houses of the Parliament of the Commonwealth on the 21st October.†

I have, &c.,

R. M. FERGUSON,
 Governor-General.

753

No. 32.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Canada. No. 65.)

(Union of South Africa. No. 53.)

[MY LORD DUKE,] [MY LORD,] Downing Street, [28] [29] January, 1920.

With reference to previous correspondence on the subject of Naval Defence, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copy of a Report‡ by Admiral Viscount Jellicoe on the Naval Defence of Australia.§

I have, &c.,

(for the Secretary of State),
 L. S. AMERY.

9357

No. 33.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.50 p.m., 20th February, 1920.)

TELEGRAM.

(Paraphrase.)
 (Extract.)

My Government has considered the future naval policy of New Zealand for the year 1920-21, and they have decided, for financial reasons, to adopt Lord Jellicoe's Report|| only to the following extent:—

- (1) Acquire the light cruiser "Chatham," date of transfer to be communicated later. The personnel to be no more numerous than actually necessary.
- (2) Fit the "Philomel" for training ship with reduced instructional complement on lines proposed by Admiralty, but smaller.
- (3) Administrative staff of one Commodore, one Secretary, and clerical staff of four now employed by Naval Adviser. The Commander, Surgeon, Lieutenant-Commander, and Engineer-Lieutenant-Commander of "Philomel" to be also

* No. 28. † Volume I published as Commonwealth Paper No. 177 (1917-18-19). The other Volumes of Lord Jellicoe's Report were not published. They were numbered respectively Vols. II and III (Confidential) and Vol. IV (Secret). [Copies with 22620/S/20.]

‡ Commonwealth Paper No. 177.—(1917-18-19.)

§ Note.—It was assumed that the New Zealand Government would have received copies direct.

|| Note.—Volume I published in New Zealand Parliamentary Paper 1-A4, 1919. The other volumes of Lord Jellicoe's Report, which were not published, were:—Vol. II (Confidential) and Vol. III (Secret). [Copies with 22620/S/20.] Volume I was sent direct to Canada and the Union of South Africa, and it was assumed that the Commonwealth Government would also have received it.

attached to the administrative staff. When Parliament meets, about June, further consideration will be given to Lord Jellicoe's report. Please furnish a copy of the foregoing to Lord Jellicoe.—LIVERPOOL.

Note.—For further correspondence as to *New Zealand Naval Defence*, see special section so headed (p. 123).

5530

No. 34.

SECRETARY OF STATE to GOVERNORS-GENERAL AND GOVERNOR.

[Answered by Nos. 36, 40, 43, and 47.]

(Canada.	} Dominions No. 79.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 23rd February, 1920.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, a copy of a letter from the Admiralty on the subject of Naval Defence.

I should be glad to be favoured with the observations of your Ministers on this letter.

I have, &c.,
(for the Secretary of State)
L. S. AMERY.

Enclosure in No. 34.

(Secret.)

SIR, Admiralty, 30th January, 1920.

I AM commanded by My Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for the Colonies, that the question of Dominion naval co-operation has been more fully investigated at the Admiralty in the light of recent events, particularly in regard to the need for universal economy. It has become evident that further discussion of Lord Jellicoe's reports on the Naval Defence of Australia, New Zealand, and Canada will be necessary with a view to co-ordinating the Naval effort of the Empire. The Admiralty, who have not yet received the views of the Dominion Governments on Lord Jellicoe's reports* would therefore welcome the opportunity of a discussion with the representatives of the Dominions who are responsible for Naval policy, and their Naval Advisers, on the question of Dominion Navies and Dominion Naval co-operation in the defence of the Empire. It would be convenient if the proposed discussion could take place when all Dominion representatives are present together, and a favourable opportunity would appear to be the next occasion of an Imperial Conference. I am to inquire whether the Secretary of State for the Colonies concurs.

2. A letter in a similar sense is being sent to the India Office.

I am, &c.,

W. F. NICHOLSON.

The Under Secretary of State,
Colonial Office.

* *Note.*—The various volumes of Lord Jellicoe's Reports are set out under the communications from Canada, Australia, and New Zealand referring to them. Only the published volumes were exchanged, in 1920, between the Dominion Governments, as the Admiralty expressed the view that there might be a certain danger of misconception and leakage (22620/S/20) which would not be incurred if the Reports were discussed in Conference.

20483

No. 35.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.30 p.m., 21st April, 1920.)

TELEGRAM.

[Answered by No. 39.]

(Paraphrase.)

COMMONWEALTH Government would be glad to know, with reference to paragraph 11, Volume 4, of Viscount Jellicoe's report, whether Admiralty propose to station three vessels of the "Lion" class in the near future in Far East waters.—MUNRO FERGUSON.

20977

No. 36.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 26th April, 1920.)

(Secret.)

MY LORD, Government House, St. John's, 1st April, 1920.

I HAVE the honour to acknowledge receipt of despatch Dominions No. 79 Secret, of the 23rd February,* covering copy of a letter from the Admiralty on the subject of the Naval Defence of the Empire.

2. I submitted the matter to Ministers for consideration, and have now had from the Prime Minister a communication expressing his concurrence in the opinion that the most convenient time for the discussion of the subject would be when all the Dominion representatives are present at the next Imperial Conference.

3. Mr. Squires further suggests that in any scheme of naval defence Newfoundland should receive special consideration, seeing that so many cables land on her shores, and she is, with wireless stations for the help of shipping, situated in a favourable position for a naval base.

I have, &c.,
C. ALEXANDER HARRIS.

22025

No. 37.

CANADA.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 3rd May, 1920.)

(No. 258.)

MY LORD, Ottawa, 21st April, 1920.

WITH reference to your telegram of the 15th April,† I have the honour to enclose, herewith, thirty copies of Lord Jellicoe's Report on his naval mission to Canada.‡

I am also sending six copies direct to the Governor-General of Australia, and six copies to the Governor-General of New Zealand.§

I have, &c.,
L. H. DAVIES,
Administrator.

* No. 34. † 18092: not printed. This asked for copies of the Report.

‡ *Note.*—Volume I published as Canadian Sessional Paper No. 61, of 1920. The other volumes of Lord Jellicoe's Report, which were not published, were:—Vol. II (Confidential) and Vol. III (Secret). [Copies with 22620/S.]

§ The Governor-General also reported, on 16th April, that copies had been sent to the Union of South Africa.

Note.—Volume I was discussed in the Canadian House of Commons, on 14th June, 26th June, and 28th June, 1920. (See Canadian Hansards in 34762/20.)

22227

No. 38.

NEWFOUNDLAND.

THE SECRETARY OF STATE TO THE GOVERNOR.

(No. 46.)

SIR,

Downing Street, 11th May, 1920.

WITH reference to previous correspondence on the subject of Naval Defence, I have the honour to transmit to you, for the information of your Ministers, the accompanying copies of Reports* by Admiral Viscount Jellicoe on the Naval Defence of Canada, Australia, and New Zealand respectively.

I have, &c.,

MILNER.

23092

No. 39.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 5.35 p.m., 14th May, 1920.)

TELEGRAM.

(Paraphrase.)

YOUR telegram 21st April,† Admiralty do not intend to station battle cruisers in Far East in immediate future. Imperial Conference will probably consider this matter and all questions related to it, such as fleet bases, docking, fuelling and repairs.—MILNER.

26984

No. 40.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 1st June, 1920.)

(Secret.)

MY LORD,

Governor-General's Office, Cape Town, 10th May, 1920.

I HAVE the honour to transmit to Your Lordship herewith, with reference to Your Lordship's despatch Dominions No. 79, Secret, of the 23rd February, 1920,† copy of minute (Secret) from Ministers, dated 6th May, 1920, on the subject of Naval Defence.

I have, etc.,

BUXTON,

Governor-General.

Enclosure in No. 40.

(Secret.)

Prime Minister's Office, Cape Town, 6th May, 1920.

MINUTE 430.

MINISTERS have the honour to state, with reference to His Excellency the Governor-General's Secret Minute No. 2/1366, of 20th March, 1920, that they note that the Admiralty wish to defer consideration of Dominion naval co-operation until the next occasion of an Imperial Conference affords an opportunity for discussion with Dominion representatives.

Ministers desire to observe that they have not had the benefit of any expert naval advice on this subject as affecting the Union of South Africa, and are at present unable to formulate their views.

Ministers anticipate, however, that His Majesty's Government will in due course favour them with a further communication setting forth the aspects of the question which His Majesty's Government may wish the Union Government to consider.

F. S. MALAN.

* i.e., the published Reports. See Nos. 31, 33 and 37.

† No. 35.

‡ No. 34.

512

32700

No. 41.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 11.40 a.m., 3rd July, 1920.)

TELEGRAM.

[Answered by No. 45.]

(Paraphrase.)

FOLLOWING from my Prime Minister. *Begin:* Commonwealth Government, having given most serious consideration to defence, finds itself in difficulties. In the first place Australia is, in common with all other countries, circumscribed by financial considerations. This applies equally to military and naval defence schemes. The limitations imposed by finance are, at all events for the time being, insurmountable. But Commonwealth Government, quite apart from this consideration, finds itself unable to say how moneys available for naval defence can best be utilized. It is groping in the dark. For example it does not know whether Britain approves the whole or any part of Lord Jellicoe's scheme, nor in regard to this or any naval policy has it any information as to the intentions of New Zealand, South Africa or Canada. In the circumstances we feel, therefore, that we cannot decide in which direction we should move, and would be glad to have the views on the matter of the British Government and the Admiralty. Clearly, if the question of naval defence of the Empire is to be considered next year at the Imperial Conference, Commonwealth ought not to take such steps in interim as would or might be inconsistent with such policy. Will you let us know, therefore, the views of the British Government on Imperial Defence policy for the Pacific. *Ends.*—FERGUSON.

33398

No. 42.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8th July, 1920.)

(Secret.)

MY LORD,

Governor-General's Office, Melbourne, 1st June, 1920.

REFERRING to the following extract from Lord Jellicoe's Report to the Commonwealth Government, which appears on page 243 of Volume IV:—

"In chapter 8, Volume II, it is recommended that a committee should be appointed immediately to inquire into the provision of Fleet stores.

"The distribution and transfer of these stores to meet war requirements are equally of vital importance, and it is recommended that the Naval Board should, at the same time, investigate this problem and make proposals to the Admiralty for joint action in the supply of stores to Far Eastern Fleet."

I have the honour, at the instance of my Prime Minister, to ask that your Lordship will be good enough to cause the Lords Commissioners of the Admiralty to be approached with a view to consideration being given to the question of the supply of stores to the Far Eastern Fleet in time of war, in order that arrangements may be made in Australia to meet with the wishes of the Admiralty, as far as possible.

I have, &c.,

R. M. FERGUSON,

Governor-General.

35504

No. 43.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 20th July, 1920.)

(Secret.)

MY LORD, Government House, Wellington, 27th May, 1920.

I HAVE the honour to acknowledge the receipt of your Secret despatch, Dominions No. 79, of the 23rd February,* transmitting a copy of a letter from the Admiralty on the subject of naval defence.

2. My Government concurs in the view that a discussion of Lord Jellicoe's Reports on the Naval Defence of Australia, New Zealand, and Canada, by the Dominions' representatives is advisable and agrees that the next occasion of an Imperial Conference would be a suitable opportunity for the discussion.

I have, &c.,

LIVERPOOL.

Governor-General

38990

No. 44.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.0 a.m., 7th August, 1920.)

TELEGRAM.

[Answered by No. 45.]

(Paraphrase.)

My telegram of 3rd July,† *re* naval defence. Prime Minister pressing for reply as soon as possible as, until reply received, he is unable define defence policy or frame defence estimates. Estimates come before Parliament middle of August.—GOVERNOR-GENERAL.

40025/S

No. 45.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.10 p.m., 13th August, 1920.)

TELEGRAM.

[Answered by No. 46.]

(Paraphrase.)

REFERRING to your telegrams 3rd of July and 7th of August,‡ His Majesty's Government hope to forward Memorandum on Imperial Naval Defence to Commonwealth Government at an early date.

Following is outline of position in Canada, New Zealand, and Union of South Africa according to latest available information:—

1. *Canada*.—It has been announced in Canadian Parliament that decided to defer at present action in regard to adoption of permanent naval policy for Canada, in view of Canada's heavy financial commitments, of the fact that Great Britain has not yet decided on her permanent naval policy and of approaching Imperial Conference at which question of naval defence of Empire will come up for discussion. Canadian Government has, however, accepted two torpedo boat destroyers and one light cruiser presented by Admiralty to take place of present obsolete and useless training ships "Rainbow" and "Niobe." Vessels acquired by Canadian Government will be manned exclusively by Canadian officers, except senior officers on light cruiser. Crews will consist of men recruited from Imperial Navy up to about

* No. 34.

† No. 41.

‡ Nos. 41 and 44.

two-thirds of complement, remainder being recruited in Canada. Canadian Government have accepted also two modern submarines presented by Admiralty.

2. *New Zealand*.—For financial reasons New Zealand Government has decided for the present to adopt Report of Lord Jellicoe only to following extent:—

(a) Acquire light cruiser "Chatham," which has been presented by Admiralty.

(b) Fit "Philomel" for training ship.

Maintenance of "Chatham" estimated to cost £172,000 per annum.

Confidential. *Begins*: There is no recent information here as to how far New Zealand naval policy announced in Parliament, and it is suggested that inquiries should be made of New Zealand Government. *Ends*.

3. *Union of South Africa*.—No policy yet formulated.

Pending discussion at Imperial Conference Admiralty make following suggestions as regards utilization for naval purposes of any moneys made available by Commonwealth Parliament:—

Ships.—"Australia" of great value for training purposes, but she is expensive to maintain, and it is for consideration whether she could not be placed in reserve and used for training purposes only, efforts being at present concentrated on maintenance in commission of remainder of Squadron and construction of submarines and light cruisers. Not recommended to construct ships in connexion with naval aircraft work as best types to develop still in experimental stage.

Aircraft.—Reconnaissance machines for flying-off from light cruisers and for work from shore bases recommended.

Bases.—Development of Port Stephens suggested to meet requirements of Australian Navy, which may eventually contain capital ships.

Personnel.—Training to be continued to meet fleet requirements.

Fuel.—Suggested that start should be made towards provision of large reserves of oil fuel which will be eventually necessary.

Stores.—Ultimate aim should be for Australia to be self-supporting in regard to munitions and other naval stores. Interchangeability of stores and munitions between all portions of Imperial fleet extremely desirable.—MILNER.

48109

No. 46.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.35 p.m., 28th September, 1920.)

TELEGRAM.

(Paraphrase.)

My telegram of July 3rd and your telegram of August 13th* regarding Naval Defence. Consequent on necessity for retrenchment Commonwealth Government has been compelled by force of circumstances to allocate Australian Naval Forces. As far as circumstances permit this has been done on lines of Admiralty suggestion contained in your telegram of 13th August. The following is position now and what is proposed, viz., six destroyers and six submarines in full commission proposed to employ on local defence. One light cruiser in full commission available to reinforce British squadrons. One light cruiser Town class employed as training cruiser. Remaining ships, including H.M.A.S. "Australia" (which is to be employed as a training ship) and destroyers to be manned with reduced complements and proposed to employ them on local defence and on protection of overseas and local trade near the Australian coast.—GOVERNOR-GENERAL.

* Nos. 41 and 45.

52348

No. 47.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.30 p.m., 23rd October, 1920.)

TELEGRAM.

(Paraphrase.)

23RD OCTOBER. With reference to your Secret despatch of 23rd February, Dominions No. 79,* my Government consider that the discussion of the question of Dominion naval co-operation at the next Imperial Conference would be appropriate—DEVONSHIRE.

* No. 31.

514

RESOLUTION XIV.: PRODUCTION OF MUNITIONS, &c.

That this Conference, in view of the experience of the present War, calls attention to the importance of developing an adequate capacity of production of naval and military material, munitions, and supplies in all important parts of the Empire (including the countries bordering on the Pacific and Indian Oceans) where such facilities do not presently exist and affirms the importance of close co-operation between India, the Dominions, and the United Kingdom with this object in view.

35274

No. 48.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 631. Confidential.)

[MY LORD DUKE.] [MY LORD.] [SIR,] Downing Street, 3rd October, 1917.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, copies of the text of the proceedings* at the Imperial War Conference on the subject of the development of the production of military material, etc., in all important parts of the Empire.

2. The resolution of the Conference on this subject has been communicated to the Secretary of State for Foreign Affairs, the Secretary of State for India, the Lords Commissioners of the Admiralty, and the Army Council.

I have, &c.,

WALTER H. LONG.

* See extracts from pages 81-90, 146-8, 175-188, of Dominions No. 62.

RESOLUTION XXIV. TEMPTATIONS OF OVERSEA SOLDIERS

That the attention of the authorities concerned be called to the temptations to which our soldiers when on leave are subjected, and that such authorities be empowered by legislation or otherwise (1) to protect our men by having the streets, the neighbourhood of camps, and other places of public resort, kept clear, so far as practicable, of women of the prostitute class, and (2) to take any other steps that may be necessary to remedy the serious evil that exists.

50464

No. 49.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 684. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 19th October, 1917.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, revised copies of the proceedings at the Imperial War Conference dealing with the question of temptations to oversea soldiers.* Since the discussions took place His Majesty's Government have given most careful consideration to the best means of carrying out Resolution XXIV, passed by the Conference. The question was further discussed recently at an interdepartmental conference in London, which was attended by representatives of the Home Office, War Office, Colonial Office, and the Metropolitan Police.

2. According to information laid before this conference, the rate of admissions to hospitals in India for venereal disease steadily declined from 154.3 per thousand in 1905 to 52.5 in 1913. In the United Kingdom the annual admission rates in the Army during the same period were as follows:—

	Rate per thousand.				
1905	90.5
1906	81.8
1907	71.9
1908	68.4
1909	66.0
1910	65.5
1911	60.5
1912	56.4
1913	50.9

So far as the period of the War is concerned, the figures for the whole period August, 1914-June, 1917, show the rate of admissions to military hospitals for venereal disease to be thirty-four per thousand per annum. In France the admission rate in the British Army is approximately twenty-four per thousand per annum, and in Egypt thirty-two per thousand. These figures, which are supplied by the Army Medical Department, cover all troops, Regulars, Territorials, and oversea troops combined. They are necessarily approximate, and some allowance must be made for the fact that the number of admissions has recently been reduced by the introduction of salvarsan treatment, but there appears to be no doubt that the marked decrease in the incidence of venereal diseases, which has been continuous for many years in this country and in India, has not been interrupted by the War.

3. It has not been found possible at present for the Army Medical Department to show the figures for each class of troops separately, but Lieutenant-Colonel L. W. Harrison, Lecturer on Venereal Diseases and Officer in Charge of the Military Hospital, Rochester Row, London, stated to the Conference that, from personal inquiry at the offices of the various oversea contingents, he had ascertained that the rates per thousand for the Australian, New Zealand, and Canadian troops in this country during the first six months of 1917 were respectively 144, 134.2, and 49.2 per annum.

4. The incidence of venereal disease, at any rate among the Australian and New Zealand troops, appears, therefore, to be disappointingly and disproportionately high, and this was attributed to their high pay, to the opportunities given them, on landing and before going to the front, of spending their leave in large towns, and to the fact that, unlike their British fellow soldiers, they have no opportunity of spending their leave at their homes.

5. The difficulties of combating the evil by disciplinary measures or by exercising the powers provided by the Defence of the Realm Regulations No. 35 (c) were explained in detail at the Conference. Women are already excluded from camps, but the soldiers resort to towns in the neighbourhood, and are often infected, not by known and regular prostitutes, with whom it might be possible to deal, but by women outwardly respectable, only occasionally immoral, and therefore beyond the reach of repressive regulations. For this and other reasons it was thought that a general application of Regulation 35 (c) was quite impracticable. It was further held to be impossible to place London or other centres of population out of bounds for soldiers on leave. A special restriction of this kind upon oversea troops seemed even more objectionable. To make such a distinction between oversea and British soldiers would be invidious, and, even if such an order were issued in regard to oversea troops, its enforcement would be very difficult and would give rise to disciplinary troubles of a serious character.

6. The question of compulsory segregation and medical treatment of women known to be infected was also considered by the Conference, but did not appear to be a possible remedy. No such system could be established in this country without encountering great opposition in Parliament and elsewhere on the ground that it would mean a revival of the Contagious Diseases Acts. Moreover, even if it could be established, it would merely palliate the evil, because the difficulty of dealing with the amateur prostitute would be almost as great as it is now.

7. The recent experience of the opposition to the Criminal Law Amendment Bill has shown that there would be no less difficulty in inducing Parliament to increase the severity of the punishments for prostitutes plying their trade in the streets, and, even if this could be done, the difficulty of distinguishing the prostitutes, and the prevalence of disease among women who are not prostitutes, would limit the usefulness of such a measure to a very small compass.

8. In these circumstances the best hope of improving the present state of matters appeared to the Conference to lie in developing the agencies which already exist for educating both the civil and military population and warning them against the dangers of venereal disease, for treating persons affected before they communicate the evil to others, and for the provision of prophylactic measures against infection.

9. In the Army much is already being done by means of lectures to instruct the soldiers in sexual hygiene and to warn them of the risk to which they may be exposed. Up to June, 1917, 1,648 lectures had been given to 1,270,062 troops by selected lecturers under arrangements made by the National Council for combating Venereal Disease.

The Army Council have further, on the recommendation of their Advisory Committee on the Army Chaplaincy services, authorized the delivery of a series of special addresses on purity at the military centres in the United Kingdom. These lectures have been attended by large bodies of troops, and it is hoped to extend their scope in the future. In addition, opportunities for recreation and games of all kinds for soldiers have been multiplied in order to keep the men healthily engaged.

10. It should also be mentioned that a soldier in the Imperial Forces loses his corps or proficiency pay for time during which he is inefficient on account of venereal disease, and the hospital stoppage of 7d. per day (officers 2s. 6d.) charged under paragraph 73 of the Allowance Regulations is not remitted as is done in the case of soldiers admitted for other diseases.

Concealment of venereal disease is a military crime.

11. As regards treatment, the system now in force is described in the War Office circular,* of which a copy is enclosed herewith.

Specially qualified officers of the Royal Army Medical Corps and civil profession have been appointed in centres where treatment can be carried out, and special

* Dated 18th March, 1917.

hospitals fully equipped with all that is necessary have been established where soldiers requiring hospital treatment for venereal diseases can receive it.

Courses of instruction in the treatment of these diseases have been arranged, given by expert officers to general medical practitioners, and large numbers of the latter have taken advantage of them. It may be added that the scheme of treatment for venereal disease is regulated from one centre, and definite standards of cure must be satisfied before the patient is discharged.

12. As regards venereal disease amongst the civil population, I enclose copies of the Venereal Diseases Act of 1917* and of a memorandum† furnished by the Local Government Board setting out the administrative and other action taken to combat the disease. It will be seen from these papers that both official and unofficial propaganda has been undertaken, and there is no doubt that much valuable work is being done, both in spreading information and educating the people, and also in treatment of actual cases.

13. Your Ministers will see from the account given above that His Majesty's Government are making every effort not only to cope with the existing evil, but to bring about a more enlightened state of public feeling on the subject of venereal disease.

As regards the case of the oversea troops, His Majesty's Government fully sympathize with the representations made at the Imperial War Conference, and they are most anxious to do anything further in their power to diminish the prevalence of venereal disease. They have felt bound to set out fully in this despatch the difficulties which exist in taking special measures, but they would most gladly welcome any suggestions which your Ministers may be able to make for effecting improvement.

I have, &c.,
WALTER H. LONG.

9909

No. 50.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 6.55 p.m., 27th March, 1918.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

[To Canada and Newfoundland: 27th March.] Referring to my Confidential despatch of 19th October, Dominions No. 684.‡ Defence of Realm Regulation now passed making it summary offence for any woman suffering from venereal disease in communicable form to have sexual intercourse with any member of His Majesty's forces or to solicit or invite any such member to have sexual intercourse with her.

Text of regulation§ follows by mail.—LONG.

* 7 and 8 George V., chapter 21. † Not reprinted. ‡ No. 49. § See enclosure in No. 51.

9909

No. 51.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

[Answered by Nos. 52 and 53.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand)
(Union of South Africa.)
(Newfoundland.) } Dominions No. 213. Confidential.)

Downing Street,

[MY LORD DUKE.] [MY LORD.] [SIR.] 10th April, 1918.

WITH reference to my Confidential despatch of 19th October, Dominions No. 684,* and my telegram of the 27th March,† I have the honour to transmit to [Your Excellency.] [you.] to be laid before your Ministers, copies of a Defence of the Realm regulation made on the 22nd March, by which it is made a summary offence for any woman suffering from venereal disease in a communicable form to have sexual intercourse with any member of His Majesty's forces, or to solicit or invite any member of His Majesty's forces to have sexual intercourse with her.

2. His Majesty's Government hope that the enactment of this regulation will do much to check the prevalence and spread of venereal disease amongst all members of His Majesty's forces.

3. Defence of the Realm Regulation No. 13A has been amended so as to include in its provisions any person convicted of an offence under the new regulation in question.

4. I take this opportunity of informing you that a correction should be made in the figure given in paragraph 2 of my despatch of the 19th October as to the rate of admissions to military hospitals for venereal disease for the period August, 1914-June, 1917. The rate was forty-eight per thousand per annum, not thirty-four as stated.

I have, etc.,
WALTER H. LONG

Enclosure in No. 51.

"40D. No woman who is suffering from venereal disease in a communicable form shall have sexual intercourse with any member of His Majesty's forces or solicit or invite any member of His Majesty's forces to have sexual intercourse with her.

"If any woman acts in contravention of this regulation she shall be guilty of a summary offence against these regulations.

"A woman charged with an offence under this regulation shall if she so requires be remanded for a period (not less than a week) for the purpose of such medical examination as may be requisite for ascertaining whether she is suffering from such a disease as aforesaid.

"The defendant shall be informed of her right to be remanded as aforesaid and that she may be examined by her own doctor or by the Medical Officer of the prison.

"In this regulation the expression 'venereal disease' means syphilis, gonorrhoea, or soft chancre."

* No. 49. † No. 50.

27378

No. 52.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.30 p.m., 5th June, 1918.)

TELEGRAM.

[Answered by No. 55.]

(Paraphrase.)

I AM asked by my acting Prime Minister to represent that he had hoped that Defence of the Realm Regulation 40D, dealing with solicitation, would have gone further, by segregating infected women, or would at least have provided for keeping them away from precincts of camps.

Acting Prime Minister asks why women suffering from venereal disease cannot be segregated until they are no longer a menace to the community, as is done in the case of infected soldiers.—LIVERPOOL.

29936

No. 53.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.20 a.m., 18th June, 1918.)

TELEGRAM.

[Answered by No. 55.]

(Paraphrase.)

IN addition to the representations in my telegram of the 5th June* as to venereal disease, my Acting Prime Minister urges that the question of extending the regulation so as to provide that solicitation by any woman suffering from venereal disease or not shall be a summary offence, should receive the favourable consideration of His Majesty's Government.—LIVERPOOL.

Note.—The subject was further discussed at the Imperial War Conference, 1918. See pages 122-134 of Dominions No. 69.

37264

No. 54.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Commonwealth of Australia. Confidential.)

(New Zealand. Confidential.)

(Union of South Africa. Confidential.)

(Newfoundland. Confidential.)

[MY LORD,] [SIR,]

Downing Street, 14th August, 1918.

WITH reference to my despatch Dominions 213 Confidential, of the 10th April,† relative to venereal disease, I have the honour to request [Your Excellency] [you] to inform your Ministers that an Order has been made by the Canadian Government under the War Measures Act, 1914, in terms identical with those of Defence of the Realm Regulation 40D, except that, in addition, the examining doctor may be "one appointed for that purpose by the Court."

I have, &c.,

WALTER H. LONG.

* No. 52.

† No. 51.

41040

No. 55.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.20 p.m., 9th September, 1918.)

TELEGRAM.

YOUR telegram 5th June, your telegram 18th June.* Whole question still under consideration.

As regards keeping infected women away from precincts of camps, Army Council point out that necessary powers appear already in existence, since such women would almost certainly have committed one of the offences indicated in Defence of Realm Regulation 13A.—LONG.

59017

No. 56.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 3.45 p.m., 21st December, 1918.)

TELEGRAM.

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

[To Canada and Newfoundland only: 21st December.] Referring to my despatch of 14th April, Dominions No. 213, Confidential,† His Majesty's Government have felt bound, in view of changed circumstances and pressure of public opinion here, to withdraw Regulation 40D.—LONG.

* Nos. 52 and 53.

† No. 51.

RESOLUTIONS OF IMPERIAL WAR CONFERENCE, 1918.

RESOLUTION XVII.: DEMOBILIZATION.

The Conference agrees that an advisory and executive committee—to be known as the "Military Demobilization Committee of the British Empire"—should be set up forthwith:—

- (a) To consist of representatives of the Military authorities of the Dominions and Colonies, and of representatives of the War Office, India Office, and Ministry of Shipping, under the Chairmanship of the Secretary of State for War, or some one deputed by him; the secretariat of the Committee to be provided by the Mobilization Directorate of the War Office.
- (b) To consider all military questions of demobilization affecting the various Governments concerned by:—
 - (i) making decisions in regard to matters of detail;
 - (ii) submitting questions of principle which may arise from time to time to the Government or Governments concerned;
 - (iii) arranging for the fullest interchange of information with regard to plans for demobilization.
- (c) To sit, prior to general demobilization, at such time as may be considered necessary by the Chairman, during demobilization, as frequently as may be necessary to secure the complete mutual co-ordination of the demobilization procedure of the various Governments concerned.

42160

No. 57.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 503. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 10th September, 1918.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, the accompanying copy of the Proceedings at the Imperial War Conference, 1918, on the subject of Demobilization,* together with copies of the resolution passed.†

2. In view of this resolution the Army Council has addressed a letter, of which a copy is enclosed, to the administrative headquarters in this country of the forces of the Oversea Dominions.

I have, &c.,

WALTER H. LONG.

Enclosure in No. 57.

(122/463 (Mob. 2 c).)

SIR,

17th August, 1918.

I AM directed to inform you that, in pursuance of a resolution of the Imperial War Conference, a committee, to be called the Empire Demobilization Committee, has been established, the constitution of which will be as follows:—

President: The Secretary of State.

Vice-President and Chairman: The Under-Secretary of State.

Vice-Chairman: The Director-General of Mobilization.

*Pages 137-148 of Dominions No. 69.

† See above.

518

Members.

- A representative of the India Office.
A representative of the Ministry of Shipping.
A representative of the Directorate of Movements, War Office.
Two representatives of the Mobilization Directorate, War Office.
One military representative of the Overseas Military Forces of Canada.
One military representative of the Australian Imperial Forces.
One military representative of the New Zealand Expeditionary Forces.
One military representative of the South African Forces.
One military representative of the Newfoundland Forces.
Secretaries: Lieutenant-Colonel D. G. Macpherson, Mr. A. R. McBain, O.B.E.

With
such
expert
advisers
as may be
necessary

2. The terms of reference of this Committee are:—

- (a) To consider all military questions of demobilization affecting the various Governments concerned, by:—
 - (i) making decisions in regard to matters of detail.
 - (ii) submitting questions of principle which may arise from time to time to the Government or Governments concerned.
 - (iii) arranging for the fullest interchange of information with regard to plans for demobilization.
- (b) To sit, prior to general demobilization, at such time as may be considered necessary by the Chairman; during demobilization, as frequently as may be necessary to secure the complete co-ordination of the demobilization procedure of the various Governments concerned.

3. I am to ask that you will be good enough to nominate a military representative to attend on behalf of the meetings of this Committee, and I am to forward, for the information of such representative, copy of "Notes on Demobilization Questions," prepared in the Mobilization Directorate, War Office, for discussion at the Imperial War Conference.

4. The first meeting of this Committee will be held in the Conference Room, War Office, Park Buildings, at 3.0 p.m., on Wednesday, the 11th September next, and thereafter on the first and third Wednesday in each month.

5. It will be a convenience if all questions or subjects for discussion for insertion in the agenda, particularly those involving the attendance of expert advisers or representatives of other branches of the War Office or Government Departments, could be forwarded to reach the Secretaries at least seven days prior to the meeting at which such subjects will be dealt with by the Committee.

I am, &c.,

D. G. MACPHERSON, Lieutenant-Colonel,
Joint Secretary.

AIR.

AIR FORCE IN CANADA.

Organization.

19867

No. 58.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 20th April, 1920.)

[Answered by No. 59.]

(No. 200.)

MY LORD,

Ottawa, 31st March, 1920.

I HAVE the honour to transmit, herewith, copies of an approved minute of the Privy Council for Canada laying down certain principles which underlie the organization of an Air Force in Canada.

As you will observe, my Government are anxious to obtain an arrangement with the Air Ministry releasing officers of the Canadian Air Force who are also on the reserve of the Royal Air Force from their obligations in the latter capacity in so far as these might interfere with any duties they may be required to perform in the former. It is suggested that this arrangement might take the form of an undertaking by the Air Ministry not to call upon the officers of the Canadian Air Force to perform any duty as officers of the Royal Air Force without first obtaining the approval of the Canadian Government to such officers being seconded for such duty. The names of the officers on the reserve of the Royal Air Force, who are commissioned in the Canadian Air Force, would be notified to the Air Ministry in order that it may have full information of the cases in which the dual obligation may exist.

I have, &c.,

W. H. DAVIES,
Administrator.

Enclosure in No. 58.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL,
APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE
18TH FEBRUARY, 1920.

(P.C. 395.)

THE Committee of the Privy Council have had before them a report, dated 29th November, 1919, from the Honourable Arthur L. Sifton, Chairman of the Air Board, stating that the Board has had under consideration the general principles which should underlie the organization of an Air Force in Canada and, in accordance with the decisions reached, submitting the following observations and recommendations:—

If Canada is again obliged to engage in war, it will be necessary for her to rely upon an air force as well as upon land and sea forces, and the longer the period intervening before the commencement of such a war, the greater will probably be the importance of the air force by comparison with these other forces.

The maintenance in the air of aircraft is and will remain expensive, and it is consequently essential that every hour of flying done with a view to war strength should tend directly to serve that purpose. Casual and superficial training must be rigidly avoided.

War strength in the air depends not only upon very expensive and highly technical equipment, but upon the exercise both in the air and on the ground of a high degree of special skill. The equipment, unlike artillery equipment, very rapidly deteriorates even if unused. The skill, unlike almost all other military skill, is capable in a large measure of useful exercise in peace.

War flying requires a mental and physical condition seldom found in men much beyond their youth, and there should be very few men in a military air force who are beyond the average efficient age for war flying.

In an exclusively military air force, flying not yielding a high return in military preparedness would be almost impossible to prevent, and the profession of

a military air force officer would be a "blind alley" profession from which he must be compelled to retire at a comparatively early age. Further, a professional military air force must, by reason of its cost, be so small as to be almost negligible in war, since war strength in the air will, as in other branches, depend primarily upon numbers. These difficulties and objections weigh so strongly against a purely military air force as to practically exclude resort to it.

Some, but not all of them, might be met by the employment of air force officers and airmen on useful civil duties, such as mail carrying and surveying, but these duties can be as well, or better, carried on as civil services, and uncertainty on the point of the primary or ultimate purpose of an organization always results in confusion and inefficiency.

It follows, therefore, that war strength in the air must ultimately depend upon civil or commercial air strength; that most of the members of a war air force must normally pursue peaceful occupations (preferably, but not necessarily, in connexion with air navigation), that war formations should exist only upon paper and not in the form of embodied units, and that war training should be periodic, intensive, and widespread.

Such war training, which must include instruction in the use of many types of machines and complicated and various technical equipment, should be carried on at well organized and thoroughly equipped training stations. At least a small part of the staff at such stations would necessarily be continuously employed, but the size of this professional nucleus must be kept within the narrowest possible limits, partly on account of the expense involved not only for the pay but also for the pension of its members, and partly because it cannot in Canada be made large enough to offer to the best type of young man a sufficiently attractive career.

In peace even the instructional and administrative personnel at the training stations should consequently, with the fewest exceptions, be civilians temporarily assuming military duty. It is obvious that this would result in a lower peace efficiency than if a more numerous permanent professional military personnel were relied upon, but peace efficiency is not the primary consideration. A war organization so constituted as to be comparatively inefficient in peace, but reasonably efficient in war, is very greatly to be preferred to a war organization which shows a high degree of efficiency in peace but breaks down when it is called upon for war service.

It is the opinion of the Governor in Council that, once trained, both officers and airmen would retain their efficiency if they underwent further training during one month in every twenty-four, or, in other words, that the air force as a whole would be maintained in a sufficient state of efficiency if one twenty-fourth of its total authorized non-professional strength was always on duty.

It is not possible to define with definiteness the number of professional military officers and airmen whose employment would be required for the maintenance of a reasonably efficient peace administration, but it is thought that this should not exceed twelve to each training station, with an even smaller number at headquarters.

There are other uncertain factors to be considered in making an estimate of the annual expense involved in keeping trained personnel in a reasonable state of efficiency. The expenditure on stations and equipment for use only in war will, of course, depend upon strategical considerations and upon policy. The cost of the recruitment of all ranks of the air force will depend upon the development of aviation generally.

For the purpose of the initial constitution of an air force in Canada, there are understood to be in Canada more than 12,000 officers and airmen who have served overseas with the Royal Air Force, and a large additional number who have served only in Canada.

In view of the considerations above set forth, and for the purpose of laying a foundation for the organization of a Canadian Air Force on the general lines indicated, the Minister, at the instance of the Air Board, recommends that Your Excellency in Council

- (a) Authorize the publication of an invitation to former officers and airmen of the Royal Air Force to offer their services as members of the Canadian Air Force, on the footing that they will, in peace, not ordinarily be called upon for active duty for more than five weeks in any two years (including time spent travelling to and from training centres), that they will receive pay only for the time so spent on active duty, and that the term of enlistment of airmen will be four years.

- (b) Authorize steps to be taken looking towards the administration of the Canadian Air Force through provincial Air Force Associations, of which the Lieutenant-Governor of each province be asked to act as Honorary President, the duties of each such association being, among other things, to maintain the paper war formations of the Canadian Air Force in its province, to keep a roster of the officers and airmen belonging to them, and to select the individuals in turn for their tour of training, each association to receive a small grant to meet the cost of a secretary and office accommodation.
- (c) Authorize negotiations to be entered into with the Air Ministry looking to an arrangement whereby officers of the Canadian Air Force who are also on the Reserve of the Royal Air Force will be released from their obligations in the latter capacity in so far as these might interfere with any duties they may be required to perform with the former.

The Committee, concurring in the foregoing, submit the above recommendations for Your Excellency's approval, and advise that the requisite authority be granted accordingly.

RODOLPHE BOUDREAU.
Clerk of the Privy Council.

23330

No. 59.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 60.]

(No. 299.)

MY LORD DUKE,

Downing Street, 17th May, 1920.

I HAVE the honour to acknowledge the receipt of Sir L. H. Davies's despatch No. 200 of the 31st of March,* relative to the proposed organization of an Air Force in Canada, and to request Your Excellency to inform your Ministers that the Air Council state that they have no objection to the proposals laid down for the enrolment in the Canadian Air Force of officers and men formerly belonging to the Royal Air Force, but as any kind of dual obligation would, in their opinion, be undesirable, they propose that officers and men selected by the Canadian Government should be ineligible for service with the Royal Air Force Reserve.

I have, &c.,
MILNER.

30596

No. 60.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 22nd June, 1920.)

(No. 401.)

MY LORD,

Government House, Ottawa, 9th June, 1920.

WITH reference to your despatch No. 299, of the 17th May,† regarding the proposed organization of an Air Force in Canada, I have been asked that there may be conveyed to the Air Council the thanks of the Canadian Government for their decision to release officers enrolled in the Canadian Air Force from their obligations for service with the Royal Air Force Reserve.

I have, &c.,
DEVONSHIRE.

* No. 58.

† No. 59.

AIR MINISTRY:

Duties of Dominion Officers serving in—

58391

No. 61.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

[Answered by Nos. 62, 63, 64, and 65.]

(Canada. No. 517.)

(Commonwealth of Australia. No. 394.)

(New Zealand. No. 186.)

(Union of South Africa. No. 576.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 29th October, 1919.

[To Canada only: With reference to Sir L. H. Davies's despatch No. 631 of the 13th of August,*]

[To Australia only: With reference to your telegram of the 17th of February,* and connected correspondence.]

I have the honour to transmit to Your Excellency, to be laid before your Ministers, a copy of a memorandum regarding the duties of liaison officers of the self-governing Dominions who may be appointed to serve in the Air Ministry.

2. I should be glad to know whether your Ministers concur in the terms of this memorandum, and would ask that any observations which they may have to offer upon it may be communicated to me by telegraph as soon as possible.

I have, &c.,

MILNER.

Enclosure in No. 61.

DOMINION LIAISON OFFICERS—DUTIES OF.

Duties in connexion with the Royal Air Force.

1. To keep in touch with latest developments of organization and training in the Royal Air Force, and to bring these to the notice of the Dominion Air Force Authorities as required.

2. To bring to the notice of the Air Ministry any suggestions from the Dominion Governments for the development of Service aviation.

3. To obtain from the appropriate department in the Air Ministry any advice, technical or otherwise, which may be required by Dominion Governments in regard to Service aviation.

4. To assist in co-ordinating any schemes for strategic air routes in which the Imperial Government and the various Dominion Governments may be jointly interested.

Duties in connexion with Civil Aviation.

5. To assist in arriving at a mutual understanding of, and co-ordination between, the policy of the Imperial and Dominion Governments in respect of the development of civil and commercial aviation.

6. To inform the Air Ministry of suggestions or proposals in connexion with civil or commercial aviation emanating from the Dominions.

7. To keep the Dominion Governments informed of all technical, commercial, or administrative developments in aviation in Great Britain.

8. To obtain and supply to the Dominion Governments such technical or other advice, information, or assistance from the Air Ministry as is desired by them.

9. To assist the Air Ministry by obtaining such commercial, geographical, economic or other information and in respect of the Dominions as may from time to time be required.

10. To deal with such routine questions and correspondence between the Air Ministry and the Dominions as may be referred to the Liaison Officers.

* 49992 and 10565: not printed. These papers referred to the appointment of Liaison Officers representing Canada and Australia in the Air Ministry.

General.

11. It will be understood that the functions of Liaison Officers are confined generally to the giving and receiving of information, and to assisting to expedite correspondence. Any question of policy, whether on the service or the civil side, will be dealt with through the Air Ministry and the appropriate department of Government.

69735

No. 62.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.45 p.m., 6th December, 1919.)

TELEGRAM.

6TH DECEMBER. Your despatch 29th October, No. 576.* Ministers concur in terms of memorandum but have no observations to offer at present.—BUXTON.

2534

No. 63.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.46 p.m. 14th January, 1920.)

TELEGRAM.

14TH JANUARY. My Government concurs in terms of memorandum enclosed in your despatch 29th October No. 186* regarding liaison officers appointed to serve in Air Ministry.—LIVERPOOL.

5675

No. 64.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.50 p.m., 31st January, 1920.)

TELEGRAM.

31ST JANUARY. Your despatch, 29th October, 1919, No. 394,* Liaison Officers at Air Ministry. Government of Commonwealth approves of terms of memorandum. Probable, however, Government of Commonwealth will appoint Air Representative on staff of High Commissioner in London as soon as Australian Air Force authorized.—FERGUSON.

6854

No. 65.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9th February, 1920.)

(No. 46.)

SIR, Government House, Ottawa, 23rd January, 1920.
With reference to Lord Milner's despatch No. 517, of the 29th October,* regarding the duties of the Liaison Officers of the self-governing Dominions who may be appointed to serve in the Air Ministry, I have the honour to inform you that the duties which it is proposed to assign to the Liaison Officers appointed to serve in the Air Ministry seem to this Government to be suitable and proper, and are approved.

I have, &c.,
DEVONSHIRE.

* No. 61.

MILITARY.

MILITARY DEFENCE, UNION OF SOUTH AFRICA, AND
RETENTION OF IMPERIAL TROOPS IN CAPE PENINSULA.

17111

No. 66.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.5 p.m., 17th March, 1919.)

TELEGRAM.

(Paraphrase.)

SECRET. My Ministers' attention has been given to future naval and military defence of the South African coast and harbours and ocean trade routes round Southern Africa. This question forms part of larger problem of Imperial defence. While it is recognized by Ministers that any scheme of Imperial defence must depend for the future on the nature of the Peace settlement and the international position at the time, which factors are still obscure, they assume that whole question will at an early date necessarily be reconsidered in the light of the new conditions brought about by the War, and especially by the defeat of Germany and the removal of the menace which was associated with German tacit colonization. Ministers trust on these grounds that His Majesty's Government will take advantage of the presence in London of the Prime Minister and the Minister of Defence for the Union to discuss those aspects of naval and military defence which more particularly concern the Union. It is added by Ministers that they trust that, in view of importance to the Union of the considerations of policy and finance which are bound up with this question, a discussion such as they have suggested may take place at the earliest moment at which His Majesty's Government consider it is likely to lead to a settlement consistent with general security.—BUXTON.

52103/S

No. 67.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.3 p.m., 6th September, 1919.)

TELEGRAM.

[Answered by No. 70.]

(Paraphrase.)

6TH SEPTEMBER. Very urgent. I have been informed by the General Officer Commanding Cape Town that he has been notified by the War Office in a telegram numbered 24,616/A.G.I. of the 27th of August, that they propose, whenever the shipping situation allows, to despatch for garrison purposes at Cape of Good Hope a body consisting of Royal Engineers, Cheshire Regiment, and others, amounting in all to about 1,000 men.

From a consultation which I have had with General Smuts it appears that the War Office did not consult him or General Botha regarding the question of the garrison here. The Union Government will certainly feel bound to make some representations on the general question of garrison here to the Imperial Government, and, at all events, they desire to have time to consider the whole question before any definite step is taken. If serious difficulties are not to arise it is therefore quite essential that the War Office should not take any action in preparing to send, much less in sending, troops here, until you hear further from my Ministers. The War Office should further instruct the General Officer Commanding to postpone making preparations for the accommodation of infantry at Wynberg.—BUXTON.

82746/S

No. 68.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.28 p.m., 11th September, 1919.)

TELEGRAM.

(Paraphrase.)

11TH SEPTEMBER. Secret. Very urgent.

Referring to my telegram 6th September* as to garrison, following is substance of Ministers' minute commenting on telegram from War Office to General Officer Commanding South African Military Command of 27th August:—

Begins:—This is first notification received by Ministers of the proposal to send Imperial troops to the Cape Peninsula immediately to take over garrison duties there.

Ministers intimated in their Secret minute March 13th (see my telegram 17th March)† that they were anxious that His Majesty's Government should discuss with the Union Prime Minister and the Minister of Defence, who were at that time in Europe, the future arrangements for naval and military defence of South African coasts and harbours. No opportunity apparently presented itself for any discussion which led to conclusions on any points including the important one of the defence of the Cape Peninsula.

Ministers feel that it would in any case be inopportune under present circumstances to prejudge the issues involved by re-establishing the pre-War position of the Cape Peninsula Garrison Regular Imperial troops until the Union Government and His Majesty's Government have exchanged views, and have arrived at definite conclusions on problem as a whole.

The early return of even a portion of the Imperial garrison would, moreover, present certain practical difficulties and create considerable embarrassment locally. The problem of the employment of returned soldiers, specially enlisted for garrison duty in Union Defence Forces would be rendered more acute, and the very grave shortage of housing accommodation which exists would be most materially accentuated, while the pressure on the available shipping for returning soldiers and other South Africans would be materially increased.

There are also highly important constitutional political aspects involved, upon which Ministers at this juncture, during special session of the Union Parliament, do not feel that they are in a position to state attitude of Union Government, and they would not, moreover, be able to do so until after full consultation with His Majesty's Government.

Ministers, in these circumstances, earnestly request that any proposals to send Imperial troops to the Cape Peninsula may be held in abeyance until such consultation has taken place and a course of action has been agreed upon covering the general scheme.—*Ends.*—Buxton.

53022/S

No. 69.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.50 p.m., 11th September, 1919.)

TELEGRAM.

(Paraphrase.)

SECRET. September 11th. My telegram September 6th and my telegram to-day,† Secret, garrison. I have discussed Ministers' minute with General Smuts. He is very anxious to avoid any ground for misunderstanding, but very awkward questions would undoubtedly be raised by the arrival of an Imperial garrison at the present moment. Local conditions as regards housing, garrison duty, returned soldiers, and pressure on shipping constitute a very real drawback to any immediate despatch of troops here, and are not exaggerated.

They would appear to constitute quite sufficient grounds if it is necessary to give any public reason for delay.—Buxton.

* No. 67.

† No. 66.

‡ Nos. 67 and 68.

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56181/S

No. 70.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.30 p.m., 7th October, 1919.)

TELEGRAM.

[Answered by No. 72.]

(Paraphrase.)

With reference to your telegram of 6th September* regarding Cape garrison. No troops have been ordered by Army Council to the Cape, nor will any such orders be issued without consultation with your Government and myself.—MILNER.

56181/S

No. 71.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 74.]

(Secret.)

My Lord,

Downing Street, 10th October, 1919.

With reference to my telegram of the 7th October,† informing you that no Imperial troops have been ordered to the Cape, and that no such orders will be issued by the Army Council without consultation with myself and with your Government, I have the honour to request you to explain to your Ministers that all that is being done at present is to maintain the existing Imperial garrison, consisting of Commander, Staff, and technical personnel only, and that there is no suggestion that any increase should be made. I assume that your Government has no objection to this course.

A decision is not urgent, as it is doubtful whether there is any necessity for the naval base to be prepared to resist external attack for some years to come. When it has been possible to formulate the defence requirements of the Cape Peninsula in accordance with modern conditions, the respective responsibilities of the Imperial and Union Governments can be discussed.

Meanwhile, the Army Council is acting on the assumption that no Imperial troops will be required in the future in any other part of the territory of the Union. I trust that this is in accordance with your Ministers' views.

I have, &c.,

MILNER.

59936/S

No. 72.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.45 p.m., 17th October, 1919.)

TELEGRAM.

(Paraphrase.)

15TH OCTOBER. With reference to your telegram 7th October,‡ garrison, I am glad to receive assurance from Army Council. I must point out, however, that War Office definitely stated in their telegram to General Officer Commanding, Cape Town, of 27th August, that certain named troops, including Cheshire Regiment, were "available for your Command, and will be despatched as soon as shipping situation permits." My telegram 6th September,* therefore, was fully justified.—Buxton.

* No. 67.

† No. 70.

71273/S

No. 73.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.8 p.m., 15th December, 1919.)

TELEGRAM.

(Paraphrase.)

SECRET, 15th December. My Secret despatch 24th November,* Cape garrison. I thought it best to forward at once Ministers' minute, which reached me just before outward mail closed. I have since discussed with Minister of Defence and my Prime Minister question referred to in paragraph 3 of minute of early demobilization of members of Cape Garrison Artillery and Fortress Engineers. Difficulty of retaining these men is becoming increasingly acute, and Ministers request that reply on this point may be sent as soon as possible by telegram.—

BUXTON.

72520/S

No. 74.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 22nd December, 1919.)

[Answered by Nos. 75 and 76.]

(Secret.)

MY LORD, Governor-General's Office, Pretoria, 24th November, 1919. I HAVE the honour to transmit to you herewith, with reference to Your Lordship's despatch Secret, of the 10th October, 1919,† copy of minute, Secret, No. 1664, from Ministers, dated 22nd November, 1919, on the subject of troops for garrison duty, hospital arrangements for the troops, and the disposal of military cantonments in South Africa.

I have, &c.,

BUXTON.

Governor-General.

Enclosure in No. 74.

(Secret.)

(Extract.)

MINUTE 1664.

MINISTERS have the honour to state, with reference to His Excellency the Governor-General's Secret minute 1/1142 of the 12th November, 1919, that they have noted with much satisfaction the terms of the Secretary of State's Secret despatch of 10th October, 1919, forwarded under cover of that minute.

2. Ministers are glad to learn that there is no suggestion to increase at present the cadre of the existing Imperial garrison of the Cape Peninsula.

3. They propose to continue to provide at Union expense a small infantry force, consisting of not less than 300 of all ranks, for guard and other duties, together with a small supply and transport service, but would be glad if arrangements could be made at the earliest possible date which would enable the present details of the Cape Garrison Artillery (101 all ranks) and Cape Fortress Engineers (50 all ranks) to be demobilized. These units are not permanent, and should be demobilized at once. It will be very difficult to get any of these men to extend their service voluntarily or to replace them by trained men. The artillery, search-lights, and communication machinery and equipment of the fortress can then be maintained in proper condition, under the supervision of such trained details of Royal Garrison Artillery and Royal Engineers, as are now available in the Peninsula, assisted, if necessary, by men detailed from the Union infantry unit.

In view of the improbability referred to in the second paragraph of the Secretary of State's despatch, Ministers trust that this course will be feasible and commend itself to His Majesty's Government on the grounds of economy, which is urgently desired, even though this may involve laying up and putting out of immediate working order some portion of the armament and machinery, at all

* No. 74.

† No. 71.

523

events until the future defence requirements of the Peninsula can be formulated and the respective responsibilities of the Imperial and Union Governments have been discussed and settled.

5. With regard to the last paragraph of the Secretary of State's despatch Ministers consider that for the future no Imperial troops will be required in any other part of the territory of the Union.

J. C. SMUTS.

22nd November, 1919.

7205/S

No. 75.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.10 p.m., 11th February, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your despatch 24th November, Secret,* Army Council see no objection to demobilization of Engineer and Artillery units, provided suitable arrangements can be made by General Officer Commanding for maintenance and care of Government property by utilizing infantry or other forces maintained by Government of Union of South Africa. This, it is understood, is already being done.— SECRETARY OF STATE FOR THE COLONIES.

7958

No. 76.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Secret.)

MY LORD,

Downing Street, 19th February, 1920.

WITH reference to Your Excellency's Secret despatch of the 24th November, 1919,* I have the honour to transmit to you, for your information, the accompanying copy of a letter from the War Office to the General Officer Commanding, South Africa, regarding the Imperial Garrison in South Africa.

I have, &c.,

(For the Secretary of State),

L. S. AMERY.

Enclosure in No. 76.

(Secret.)

(79/South Africa/173. (M.O.3.))

SIR,

War Office, London, S.W.1, 12th February, 1920

I AM commanded by the Army Council to acknowledge receipt of your letter No. C.R.S.A./19433A, of 8th January, 1920, on the subject of *post bellum* garrison in South Africa.

2. The question of the future garrison of South Africa has been engaging the attention of the Army Council during the past year, in consultation with the Colonial Office, and the present position is as follows:—

- (a) It has been decided that a garrison of Imperial troops will not be required in the future in the interior of South Africa
- (b) It has been decided that the existing Imperial garrison of the Cape Peninsula shall be maintained for the present, but that no increase shall be made.

* No. 74.

- (c) Discussion of the respective responsibilities of the Imperial and Union Governments as regards the defence of the Cape Peninsula in future is being deferred for the present.

3. In these circumstances I am to inform you that the Army Council propose to maintain for the present in your command the existing Imperial garrison only, consisting of Commander, staff, and a few technical troops.

The detailed establishment of this garrison is now being drawn up and will be forwarded to you later. The total will probably not exceed that already notified to you in War Office letter No. 79/South Africa/171 (Q.M.G.5), of 15th November, viz., thirty-one officers and seventy-nine other ranks.

I am, &c.,

B. B. CURITT.

The General Officer Commanding,
South African Military Command.

MILITARY LIAISON.

Loans, Attachments, and Interchanges.

66712

No. 77.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

[Answered by Nos. 79, 80, 81, and 82.]

(Canada.	} Confidential.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 17th December, 1919.

I HAVE the honour to transmit to Your Excellency, for the consideration of your Ministers, the accompanying copy of a memorandum on the subject of loans, attachments, and interchanges between individuals belonging to the military forces of the Empire.

This memorandum, which has been brought up to date, is similar in principle to that issued in 1910, copies of which were enclosed in Lord Crewe's Confidential despatch of the 17th of September, 1910.*

I shall be glad to receive at an early date any comments which your Ministers may desire to offer upon it.

I have, &c.,

(for the Secretary of State).

L. S. AMERY.

Enclosure in No. 77.

(Confidential.)

MEMORANDUM ON THE SUBJECT OF LOANS, ATTACHMENTS, AND INTERCHANGES BETWEEN INDIVIDUALS BELONGING TO THE MILITARY FORCES OF THE EMPIRE.

(Amended to November, 1919.)

1. It was customary for many years before the Great War for the Home Government to lend officers of the regular army to the Governments of the oversea Dominions to serve in various capacities with the local forces.

With the initiation of the Imperial General Staff in 1908 the system was largely developed, and in August, 1910, a memorandum on the subject was drawn up by the Chief of the Imperial General Staff (Sir William Nicholson). This memorandum formed the basis of the arrangements in force before the Great War, and was considered under three separate headings:—

* No. 325 in Dominions No. 19.

- (a) Loans.
(b) Attachments.
(c) Interchanges.

In the light of present day conditions, it is necessary to bring these arrangements up to date. Whereas before the War loans and attachments were the rule and interchanges the exception, the contrary is now the case, owing to the war experience gained by the Dominions. While, therefore, they may not be able entirely to dispense with assistance from the Mother Country as regards special subjects such as gas, tanks, aviation, and the like, they are able to provide suitable officers for exchange with officers of the Home army. For various financial and administrative reasons it is not possible to arrange exchanges in the case of the more senior officers, and it is therefore necessary to limit "exchanges" to the case of junior officers and to allow more senior officers to acquire experience by means of "attachments."

From the foregoing it is therefore clear that provision must be made for loans, attachments, and interchanges as have been carried out heretofore, and the subject will be considered on those lines. In addition, the system will apply to the case of non-commissioned officers and men.

Before discussing the details of such arrangements it is well to define the object in view. This is clearly expressed by the following extract from the memorandum of August 1910:—

"The object that all Governments of the Empire have in view is to create Imperial forces capable of fighting side by side in case of need. To attain this object, similarity of training and organization is important, but it is not everything; the bonds of true *camaraderie* and mutual understanding are also important, and these are based on sentiment rather than on business calculations. While seeking to adjust the burdens to be borne, therefore, the relative cost, at the moment, to each Government must not be given undue weight."

In other words, it is necessary to provide as far as is possible a machinery whereby in future all Imperial forces may be trained to fight in war as one homogeneous whole and not as unconnected parts hastily thrown together in a time of crisis.

LOANS.

2. As regards the loan of officers of the regular army, there can be no question of the justice of the proposal that the Government borrowing an officer should defray the whole cost. It is necessary, however, to consider how much such Governments must expect to have to pay in order to obtain what they require. In offering suggestions on this point for the guidance of the Governments concerned, it is desirable to make clear the position which the Army Council occupies in relation to the employment of officers of the regular army on regimental or on staff or other extra-regimental duties. The officers may be divided into two classes, viz.:—

- (i) Those still borne on the cadres of units or corps.
(ii) Those who, on promotion, have been removed from the cadres of units or corps.

(b) A regimental officer belonging to a unit or corps of the regular forces is legally liable to military service with that unit or corps in any part of the world. He is also legally liable to be transferred for military service from one to another unit of the regular army, although it is unusual to enforce this liability in peace time without his consent.

Officers of both classes may be held to be legally liable to military service in any part of the world; but it is a long-established custom not to enforce this liability in peace time, as regards extra-regimental employment, either on the staff or in command, and whether at home or abroad. It has been customary for many years to allow officers the option of refusing such employment in peace time, and, in the opinion of the Army Council, it would be undesirable to institute any departure from this custom.

For these reasons the Army Council are averse to ordering officers of the regular army to take up regular employment with the forces of the oversea Dominions, without their own consent, in time of peace. It follows that sufficient inducements must be offered to procure the services of suitable officers, and it is natural to expect that the pecuniary aspect of the employment offered will always be an important consideration.

(c) As a guide towards estimating the emoluments likely to suffice, a statement is given in Appendix A, showing the pay and allowances of staff and regimental officers serving with the regular army at home. Owing, however, to dissimilar conditions of life overseas, family reasons, and various other causes affecting the aggregate expenses likely to be incurred, it must be expected that higher rates of pay than those drawn at home will be necessary to attract suitable officers. The amounts likely to suffice for this purpose can only be ascertained by experiment and experience, and it is impossible to lay them down definitely until further knowledge has been gained. For the present, therefore, it is proposed that each case should be considered on its merits, and that, whenever the services of an officer of the regular forces are asked for on loan, the proposed rates of pay and allowances should be stated. Should these rates prove insufficient to procure the services of a suitable officer, it will be necessary for the Army Council to inform the overseas Government concerned of the fact. In no case will the Army Council be prepared to recommend an officer who is not considered by them to be in all respects suitable for the work he is required to do. With regard to this point, it is desirable to explain that the term "regimental officer," where used in this paper, should be taken to mean an officer on the cadre of a unit or corps who is thoroughly conversant with his regimental duties, and who can be relied on to perform those duties well and to instruct others in them—but no more. Officers in this category must not be considered qualified to perform, instruct in, or advise on staff duties, or on matters outside ordinary regimental work. Such officers should not be borrowed, therefore, for work other than that for which they are qualified. Whether such regimental officers are required in the overseas Dominions is a point which it lies within the discretion of each Dominion concerned to determine. It is suggested that in most cases trained staff officers are more suited to present needs.

In addition to the payment of the officers there would also be a sum due to the Home Government in respect of their non-effective* pay.

(d) The system of "Loans" is applicable also to the case of non-commissioned officers and men.

ATTACHMENTS.

(i) *Attachments other than to the War Office.*

3. By the term "attachments," as used here, is meant all cases of officers of the forces of an overseas Dominion, staff or regimental, irrespective of rank, who are sent to be attached to the regular army for instruction or for duty, *but not to fill a vacancy on the authorized establishment of that army.* They will also apply to officers of the home army sent for attachments to the Dominions or India. The financial system at home is that the pay for officers of the regular army is voted on certain definite establishments, and no pay or allowances are provided by Parliament for any individual not included in those establishments. The cost of the pay, allowance, passages, or other emoluments of attached officers who are not taken on establishments must, therefore, be borne by the Government sending them. This seems equitable, inasmuch as these officers are sent for the purpose of learning their work for the benefit of the Government sending them—and not with the object of performing duty for the Government receiving them.

(b) The obligation resting on the Home Government in respect of these attached officers is to afford them every possible opportunity of fulfilling the object with which they have been attached. It must be understood that such officers cannot claim to be entrusted with command as a right, or with responsibility for the performance of any duty, excepting in so far as may be advisable for their better instruction. They will be given local rank in the regular army should this appear advisable, and quarters, as well as any necessary office accommodation, will be provided for them by the War Office, if public quarters and offices are available, free of charge. A similar obligation will rest on Dominion Governments in respect of officers of the home army attached.

* Non-effective charges are those relating to an officer's pension, half-pay, or retired pay. Thus, in connexion with the present subject, if an officer of the regular army is seconded in order to serve under the Government of an overseas Dominion, a new officer has to be appointed to the unit he leaves in order to complete the establishment of that unit. This would involve "non-effective" charges in respect of both officers.

(c) The system of "attachments" is applicable also to the case of non-commissioned officers and men.

(ii) *Attachments to the War Office.*

(a) It is not proposed to continue the system of having a Dominion section attached to the Directorate of Staff Duties at the War Office, as it is considered that such a system contributed to work being carried out in water-tight compartments and debarred the officers selected for the appointment from obtaining first-hand information regarding the work of the Imperial Army as a whole.

Some Dominions may appoint a permanent military representative to the staff of their High Commissioner in London. If this is the case it is suggested that his duties should include those given in sub-paragraph (b).

(b) If a military representative is not appointed it is proposed that each Dominion should have an officer at the War Office who should be available to give advice on matters affecting the Dominion concerned, and it is desirable that such officers should study the workings of the War Office as a whole by means of attachment to all the Departments of the Military Members of the Army Council.

(c) For the efficient performance of such important duties, it is considered that officers of some seniority and experience of the work at local headquarters sections are required. It is not desirable that their rank should be below that of Major or above that of Colonel. As regards the actual system of conducting correspondence, it is recommended that on purely technical and routine matters it should be conducted direct between the local representative and the authorities in his own country, the latter deciding to whom the correspondence should be addressed. It is further recommended that the local representative should be instructed when he joins the War Office that communications sent by him conveying the views of the Military Members of the Army Council concerned on any point should always be submitted before despatch to the Director responsible for the subject dealt with, and should bear the initials of such Director, or of the Military Member himself when of sufficient importance.

(d) In order that an insight into our military system may be obtained, officers will also be attached to the various branches of the War Office, and to commands, depots, schools of instruction, as may be required.

(e) As regards the question of finance, it is submitted that all expenses of pay and passages should be borne by the Dominion concerned in whose direct interests the officer is detailed. The Home Government, on the other hand, in return for the great, if less direct, benefit of uniting the military forces of the Empire, should bear the cost of office accommodation and clerks, and the cost of travelling expenses and allowances at army rates for these officers within the United Kingdom. Such allowances to be authorized for such staff tours, classes, courses, manoeuvres, etc., as the officers might be detailed to attend by the Chief of the Imperial General Staff.

INTERCHANGE.

General Remarks.

4. The question of the interchange of officers is more complicated than either "loans" or "attachments."

Interchange may take place between—

Home and Dominions.

Home and India.

Dominion and Dominion.

Dominions and India.

Australia and New Zealand are particularly affected by interchange with India.

Interchange may be of three kinds, viz.:—(i) Direct interchange between staff officers; (ii) direct interchange between regimental officers; (iii) mixed or indirect interchanges, e.g., the exchange of a staff officer for one or more regimental officers, or the interchange of an officer of one arm of the service with an officer either of another arm or corps or department.

(b) The theory underlying interchanges is that an officer received by one Government fills a vacancy on its establishment, thereby enabling someone to be spared to be sent to fill his, or another's, place in the country from which he came.

(c) For the present, therefore, and until the rates of pay and other conditions become more uniform, it is proposed that, except in the case of interchanges between

Home and India, interchanged officers should be paid by the Government to which they belong, which should also defray the passage to and fro of the officers and their families, travelling allowances, and such additional allowances and expenses (including all non-effective charges) as may be thought necessary; travelling allowances and expenses within the United Kingdom or the Dominion should be paid at local rates by the Government of the country in which he is serving. In the case of India a recognized system of excoluments for British officers serving in India already exists, and it is considered that the Government to which the officer is attached should pay the officers at the rates current for the forces in its country.

It must be recognized that interchanges will entail expense to each Government, and that the value received in return in the form of increased military strength cannot be exactly determined. On the other hand, it must be remembered that, eventually, every part will gain by the increased strength of the whole.

(d) Having cleared the ground as regards these general conditions, details may now be considered for each class of interchange.

(i) Interchange of Staff Officers.

5. Interchange of staff officers is only possible at present to a very limited extent. It is proposed that in the case of interchange between Home and the Dominions, exchanges would be carried out between staff officers and in junior appointments, i.e., 2nd Grade and under up to approximately a total of eight, i.e.:—

India	...	...	...	...	...	2
Canada	...	...	...	...	...	2
Australia	...	...	...	...	...	2
New Zealand	...	...	...	...	...	1
South Africa	...	...	...	...	...	1

In addition arrangements between Dominions and between India and the Dominions should be made between the Governments concerned.

Officers above the rank of 2nd Grade will be loaned or attached but not interchanged.

Officers of administrative services and departments will be treated in the same way as staff officers, but, as a rule, a period of "attachment" should precede that of interchange. The usual qualifications required of officers of the regular army for appointment to the Staff are defined in Army Orders as follows:—

"For the efficient performance of Staff duties special aptitude and extensive and varied military knowledge are required, including a knowledge of the principles of the administration and maintenance of the Army in peace and war. With a view to ensuring the possession of the necessary military knowledge, officers for employment on the Staff will, as a rule, be chosen from those who have graduated at the Staff College, or who have proved their ability and qualifications on the Staff in the field."

(ii) Other Interchanges.

6. It is considered that in the case of interchange of regimental officers, such officers should fill the vacancies of their opposite numbers of equal ranks without any intervening period of attachment, and that they should not be supernumerary to establishment. There appears to be no reason to limit the number of such interchanges, but officers so interchanged should not be above the rank of Major.

It is suggested that the following should be regarded as a minimum at any one time:—

India	...	...	...	...	...	4
Canada	...	...	...	...	...	4
Australia	...	...	...	...	...	4
New Zealand	...	...	...	...	...	2
South Africa	...	...	...	...	...	2

(b) In order to avoid complications in regard to the regular flow of promotion, the seconding of officers, and other matters too detailed to enter upon in this paper, it is considered that interchanges should not be for a longer period than two years, and that the provisions of King's Regulations, paragraph 1252, should apply, i.e., that neither the senior Major, two senior Captains, nor the two senior Subalterns of a cavalry regiment, nor the senior Major, three senior Captains, nor the six senior Subalterns of an infantry battalion, should be selected for interchange.

It is thought, also, that interchanges should involve no change of uniform, and that officers, during the time they are employed with the forces of an overseas Dominion, should not be subject to the deduction from retired pay laid down in Article 485 of the Royal Warrant.

(c) The system of "interchange" is applicable also to the case of non-commissioned officers and men.

GENERAL CONSIDERATIONS.

7. It is necessary to point out to the Governments concerned that attachments and, in particular, loans and interchanges cannot be arranged at short notice. Suitable vacancies to be filled by officers from overseas, and the selection of suitable officers to be sent overseas, can seldom be arranged without considerable difficulty. It is necessary therefore to request the Governments of the overseas Dominions to give the Home Government as much notice as possible when they desire to obtain the services of a regular officer, and to state fully the work for which he is required, and the pay and allowances of the appointment. Similarly, when it is desired to send an officer home, it is necessary that the Government concerned should first state his qualifications, experience, and length of service, and the proposed conditions of the transfer, and that the Home Government should be asked at least six months beforehand whether he can be received, and, if so, on what date.

8. It is hoped that the India Office and the Government of India may accept the principles set forth in this paper as a basis to work on when considering questions connected with loans, attachments, and interchanges between the Indian army and the forces of the Dominions.

HENRY WILSON,

Chief of the Imperial General Staff.

War Office.

15th November, 1919.

APPENDIX A.

Normal Rates for Regimental Officers (Cavalry, Royal Artillery, Foot Guards, Infantry, etc.).

Rank.	Pay.	Rations.	Married.			Unmarried.			*Total per annum.	
			Lodging.	Fuel and Light (average).	Furniture allowance.	Lodging.	Fuel and Light (average).		Married.	Unmarried.
2nd Lieutenant	13 0	2 1	3 6	1 0	2 0	2 0	0 6		394	320
After 2 years' service	16 0								448	376
Lieutenant	16 0	2 1	3 6	1 0	2 0	2 0	0 6		448	376
After 7 years' service	19 0								503	429
Captain	23 6	2 1	4 6	2 0	2 0	2 8	0 6		622	517
After 15 years' service	26 0								667	562
Major	31 6	2 1	4 6	2 0	2 0	3 0	0 11		768	684
After 5 years' as such	37 0								868	784
Lieutenant-Colonel	47 6	2 1	4 6	2 0	2 0	4 0	1 4		1,242	1,184
Command pay †	10 0									

*When Engineer or Royal Army Service Corps pay is drawn these rates are increased by:— 2nd Lieutenant, 36l.; Lieutenant, 36l.; Captain, 54l.; Major, 91l., and Lieutenant-Colonel, 127l.

† Lieutenant-Colonel's Command Pay in Royal Engineers and Royal Army Service Corps will normally be 6s. a day.

With soldier servants (or 36l. a year per servant in lieu in certain arms) and with chargers and forage when mounted.

Typical Staff Grades.

Appointment.	Pay.	Halters.	Servants.	Married.			Unmarried.		Total per annum.	
				Lodging.	Fuel and light (average).	Furniture allowance.	Lodging.	Fuel and light (average).	Married.	Unmarried.
G.S.O. 1 and A.A.G.	55 0	2 1	2 0	5 6	2 10	2 0	5 6	1 10	1,266	1,212
G.S.O. 2 and D.A.A.G.	36 0	2 1	2 0	4 6	2 0	2 0	4 0	1 7	886	834
Brigade Major	33 0	2 1	2 0	4 6	2 0	2 0	3 0	1 2	832	790
G.S.O. 3 and Staff Captain	28 0	2 1	2 0	4 6	2 0	2 0	3 0	1 2	740	661
Staff Lieutenant—										
Class I. ...	22 0	2 1	2 0	3 6	1 0	2 0	2 3	0 10	594	532
Class II. ...	19 0	2 1	2 0	3 6	1 0	2 0	2 3	0 10	540	477

Free forage for the number of horses authorized in addition.

66712

No. 78.

NEWFOUNDLAND.

THE SECRETARY OF STATE TO THE GOVERNOR.

(Confidential.)

SIR, Downing Street, 17th December, 1919.

WITH reference to Lord Crewe's Confidential despatch of the 17th of September, 1910,* I have the honour to transmit to you, for the information of your Ministers, the accompanying copy of a despatch,† with its enclosure, which has been addressed to the Governors-General of Canada, the Commonwealth of Australia, New Zealand, and the Union of South Africa, on the subject of loans, attachments, and interchanges between individuals belonging to the military forces of the Empire.

I have, &c.,
(for the Secretary of State),
L. S. AMERY.

11922

No. 79.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5th March, 1920.)

(Confidential.)

MY LORD, Governor-General's Office, Pretoria.
30th January, 1920.

WITH reference to your Lordship's despatch, confidential, of the 17th December, 1919,† regarding Loans, Attachments, and Interchanges between individuals belonging to the Military Forces of the Empire, I have the honour to transmit the accompanying copy of a Minute from my Ministers on the subject.

I have, &c.,
BUXTON,
Governor-General.

* No. 236 in Dominions No. 19.

† No. 77.

(Confidential.)

Enclosure in No. 79.

Prime Minister's Office, Pretoria.

28th January, 1920.

MINUTE 83.

MINISTERS have the honour to state in reference to His Excellency the Governor-General's confidential minute 1/1161 of 14th January, 1919, that under present circumstances and until the Government is in a position to take up and deal with the reorganization of the Defence Forces, it would be premature for them to deal fully with the points raised in the War Office confidential Memorandum of 15th November, 1919, on the subject of Loans, Attachments, and Interchanges of officers.

At the moment no arrangements have matured which will involve the loan, attachment, or interchange of any officers except the attachment of one officer annually to the Staff College, Camberley, but in that instance, and in other instances, should the necessity arise to effect other loans, attachments, or interchanges, before the Union's military policy is more fully developed, Ministers are quite prepared to accept the financial arrangements set forth in the memorandum.

N. J. DE WET.

25098

No. 80.

CANADA.

THE ADMINISTRATOR TO THE SECRETARY OF STATE.

(Received 21st May, 1920.)

(Confidential.)

MY LORD, Ottawa, 7th May, 1920.

WITH reference to your Confidential despatch of the 17th December,* transmitting a copy of a memorandum on the subject of loans, attachments, and interchanges between individuals belonging to the military forces of the Empire, I have the honour to inform you that the Canadian Government generally concur in the principle enunciated in this memorandum. The Militia Department, however, for some little time to come will not be in a position to give practical effect to proposals connected with the interchange of officers.

I have, &c.,
W. H. DAVIES,
Administrator

32049

No. 81.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 30th June, 1920.)

(Confidential.)

MY LORD, Government House, Wellington, 26th April, 1920.

WITH reference to your Confidential despatch of the 17th December last,* I have the honour to transmit to Your Lordship the accompanying copy of a memorandum addressed to me by my Prime Minister, relative to the interchange of officers of the Military Forces of the Empire.

I have, &c.,
LIVERPOOL,
Governor-General.

* No. 77.

Enclosure in No. 81.

Prime Minister's Office, Wellington, 21st April, 1920.

MEMORANDUM FOR HIS EXCELLENCY THE GOVERNOR-GENERAL.

THE Prime Minister presents his compliments to His Excellency the Governor-General, and, with reference to the despatch from the Secretary of State for the Colonies, dated 17th December last, enclosing copy of a Confidential memorandum dealing with Loans, Attachments, and Interchanges of Officers of the Military Forces of the Empire, begs to submit the following comments thereon, as requested in the above-named letter.

1. (a) The war experience gained by officers of the New Zealand Permanent Forces has proved most valuable. It is agreed that interchange between Imperial and New Zealand officers will in future be the rule, and loans and attachments the exception, as indicated in the memorandum.
- (b) With special services, such as Gas, Tanks, Aviation, and the like special arrangements may require to be made for the supply of suitable Imperial officers for these instructional duties.
- (c) It is questionable whether it is a wise policy to limit exchanges to junior officers only. New Zealand does not possess a Standing Army, and consequently senior officers of its Permanent Forces have little opportunity to gain experience in the manoeuvring of troops in the field.
- (d) The New Zealand Government is quite in agreement that it is most desirable to provide machinery by which all Imperial Forces may be trained to fit in as one homogeneous whole.

2. Loans.

It is not considered that in the future New Zealand will require officers of the Imperial Army other than by exchange, except in very special cases.

The pay of Imperial officers being now much higher than that given officers of the New Zealand Permanent Forces, it cannot be expected that the New Zealand Government will be able to offer higher financial terms than the ordinary pay and allowances of the Imperial Army to those of its officers who come to New Zealand. In the higher ranks, officers of the Imperial Army receive over one hundred per cent. higher rates of pay and allowances than officers of similar rank in the Dominion Forces.

3. Attachments.

Experience in the past has shown that the policy of attaching officers to the Imperial Army has not proved satisfactory. It is considered that a policy of interchange of officers, by which permanent officers of the New Zealand Permanent Forces would find themselves recognized members of an Imperial Army unit for a certain period, will prove more satisfactory.

In special cases, senior officers of the New Zealand Permanent Forces would derive benefit by being attached to the various branches of the War Office, and to Commands, Depôts, Schools of Instruction, etc. Experience has, however, shown that greater benefit is derived by requiring officers to hold a definite position and perform a definite task. For this reason it is considered that a system of exchange of officers is preferable.

Where officers of the New Zealand Permanent Forces are attached to the Imperial Army it is agreed that all expenses of pay and passage should be borne by the Dominion. It is not expected that the New Zealand Government will take advantage of the opportunity to attach officers to any large extent.

4. Interchange.

It is agreed that New Zealand is particularly affected by the interchange of officers of the Dominion's Permanent Forces with Imperial officers serving in India, and that interchange of Staff and Regimental officers both in India and England is most desirable.

The difficulty regarding such a policy of interchange is entirely financial.

Officers of the New Zealand Permanent Forces interchanged with officers of the Imperial Army will require to be paid at Imperial rates. If a Lieutenant-Colonel, the New Zealand officer will require an increase of £615 per annum while attached to the Imperial Army. In addition, the Imperial Lieutenant-Colonel with whom he exchanges will be receiving £615 more than his brother officer of similar rank in the Permanent Forces of the Dominion.

The War Office memorandum lays stress upon the importance of the Empire possessing Imperial Forces capable of fighting side by side. With this desire the New Zealand Government entirely agrees. The large increases of pay and allowances for officers of the Imperial Forces have resulted in a certain injustice being done to officers of the Imperial Army on loan to the New Zealand Government who are serving under contract, and who remain at the old rates of pay, which are considerably lower than the present Imperial rates.

Two Imperial officers only are affected (i.e., Lieutenant-Colonel J. L. Sleeman, C.B.E., I.G.S., and Captain C. W. Brocks, M.B.E., M.C., Worcestershire Regiment).

It is suggested that the Imperial Government, in such cases, should defray any extra pay and allowances for Imperial officers interchanged with permanent officers of the New Zealand Forces. The New Zealand Government has recently consented to increase the pay and allowances of those officers of the New Zealand Forces while serving in England or India to Imperial rates. Under these circumstances it would appear fair to ask your Government to supplement the pay of all Imperial officers serving in New Zealand to corresponding Imperial Army rates of pay and allowances, and particularly the pay of the two officers mentioned, who were retained at the special request of the New Zealand Government.

It is impossible to expect efficient and experienced officers of the Imperial Army to serve in New Zealand at New Zealand rates of pay. Neither is it possible to expect officers of the New Zealand Forces to serve with Imperial troops for less pay and allowances than the officers with whom they would be serving. It will therefore be appreciated that the arrangements for these attachments or interchanges cannot be satisfactory until the anomalies existing between Imperial and New Zealand rates of pay and allowances are adjusted in a satisfactory manner.

W. F. MASSEY,
Prime Minister.

57796

No. 82.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 24th November, 1920.)

(Confidential.)

MY LORD, Governor-General's Office, Melbourne, 12th October, 1920.

REFERRING to your despatch, Confidential, dated the 17th December, 1919,* covering a copy of a memorandum on the subject of loans, attachments, and interchanges between individuals belonging to the Military Forces of the Empire, I have the honour to inform Your Lordship that I am advised by my Prime Minister that the Commonwealth Government concurs generally in the principles contained in the memorandum, but desires to submit the following detailed observations:—

Paragraph 1, sub-paragraph 3.—The principle of exchange is concurred in, but the wisdom of limiting exchanges to junior officers can be questioned. Attachment is not always a satisfactory method of obtaining instruction.

Notwithstanding any difficulties in its application the principle of interchange is sound, and its wider application is suggested.

Paragraph 2 (c): Non-Effective Pay and the Footnote thereto.—The principle of charging the Government to whom an officer is loaned with payments in respect of non-effective pay is at present in operation. The Commonwealth Government may, however, desire at a later date to suggest a revision of the principle. It is not quite clear whether it is the intention that the Dominion Government should meet the non-effective charges both of the officer of the Home Army loaned and those of the Home Army officer who takes the place of such loaned officer.

Paragraph 3 (ii): Attachments.—It is noted that the Dominion Section at the War Office is dispensed with, and two alternatives are suggested.

This Government has under consideration the attachment of two officers to the office of the Australian High Commissioner in London, and by this means it would appear that the requirements of the memorandum under discussion could be met. One will be a senior officer.

Paragraph 4 (c).—The proposals generally are acceptable, but as regards the suggestion that a Dominion officer serving on exchange in India should draw the travelling allowance and other emoluments current for officers of the Indian Army, it is thought that the Commonwealth should be free to frame its own financial regulations to meet particular cases.

Paragraph 5 (i): Interchange. Staff Officers.—As previously stated, the wisdom is questioned of confining the interchange of officers to juniors. It is considered that greater mutual benefits would be obtained by the interchange of more senior officers.

The numbers suggested by the War Office are suitable, and can be accepted as a guide.

Regimental Officers.—The proposals generally are subscribed to. The numbers indicated can, however, only be accepted as a guide. However desirable, it may not always be practicable to furnish the minimum suggested from the small number of permanent officers maintained.

I have, &c.,

FORSTER,
Governor-General

WAR MEDALS.

Correspondence arising out of discussions at the Imperial War Conferences 1917 and 1918.

34264/S

No. 83.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4th July, 1917.)

TELEGRAM.

[Answered by No. 86.]

(Extract.)

(Paraphrase.)

PERSONAL and Secret.

Both Mr. Massey and Sir J. Ward have intimated their dissent from the War Office view that the occupation of Gallipoli should not appear on bar of war medals, and indicated the possibility, in the event of this not being done, of striking a separate medal.

I would urge the War Office most strongly to acquiesce in a bar for Gallipoli, which, I think, from what Prime Minister said to me, would overcome the difficulty. The Minister of Defence and others are most averse to a separate medal, but are very strongly in favour of Imperial recognition of the name of Gallipoli. The question should not be indefinitely delayed.—LIVERPOOL.

51063

No. 84.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.28 p.m., 16th October, 1917.)

TELEGRAM.

[Answered by No. 85]

(Extract.)

(Paraphrase.)

COMMONWEALTH Government desires to urge strongly that 1914 medal which it is understood is about to be sanctioned for men who left England during first few months of war in original Expeditionary Force should be extended to men of Australian forces who left with original contingents in 1914. This would include those present 25th April at landing Anzac. Such recognition would be appreciated enormously.—FERGUSON.

52936

No. 85.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.15 a.m., 6th November, 1917.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram 16th October,* His Majesty's Government regret that it is not possible to expand scope of 1914 decoration, which is issuable only to the men who served under Field-Marshal Lord French between 4th August and 22nd November, 1914, and who, by helping to stem the first tide of German invasion, saved Europe from a catastrophe. I have, however, every hope that clasp will be given for Gallipoli. Despatch† follows by mail dealing with general question of issue of war medals.—LONG.

52936

No. 86.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.15 a.m., 6th November, 1917.)

TELEGRAM.

(Paraphrase.)

PERSONAL. With reference to your telegram of 4th July,‡ it was urged recently by Commonwealth Government that medal which it is proposed to issue to 1914 Expeditionary Force should be extended to men of Australian forces who left with original contingents in 1914. After consideration of matter it has been necessary to inform Commonwealth Government that His Majesty's Government regret that it is not possible to expand scope of 1914 decoration, which is issuable only to the men who served under Field-Marshal Lord French between 4th August and 22nd November, 1914, and who, by helping to stem the first tide of German invasion, saved Europe from a catastrophe. I have, however, every hope that clasp will be given for Gallipoli. Please inform Ministers confidentially. Despatch‡ follows by mail dealing with general question of issue of war medals.—LONG.

* No. 84.

† No. 87.

‡ No. 83.

45081

No. 87.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

[Answered by No. 98.]

(Canada,
(Commonwealth of Australia,
(New Zealand,
(Union of South Africa,
(Newfoundland.)

Dominions No. 729. Confidential.)

Downing Street,

13th November, 1917.

[MY LORD DUKE,] [MY LORD,] [SIR,]

I HAVE the honour to request [Your Excellency] [you] to inform your Ministers that since the subject of war medals was discussed at the Imperial War Conference (*vide* pages 37-51, 231-236, and 256-7, of the Confidential print, Dominions No. 62, of which copies have already been sent to you) the matter has been under further consideration by His Majesty's Government.

2. It will be seen from the announcement by the War Office, of which a copy is enclosed, that it has been decided to issue a distinctive decoration to certain troops who landed for service in Belgium and France up to and including the first battle of Ypres. On the other questions raised at the Conference, however, no definite decision has yet been reached.

3. The present position is as follows:—

As regards the Army, it is generally agreed that two medals should be issued, one being an international medal for all troops engaged in theatres of war, and the other a British medal for all troops serving at home and in garrisons. Troops serving in theatres of war would also be entitled to the British medal.

With regard to clasps, the Army Council was first of opinion that these should not record actions of localities, but only the calendar years of the duration of the War.

This view was, however, challenged by the New Zealand representatives at the Imperial War Conference: there is also a considerable body of feeling against it in the Army itself; and the decision to award a distinctive decoration to officers and men of the first Expeditionary Force is, of course, a further argument in favour of differentiation of actions and localities. In these circumstances the Army Council have recommended that the question of the description and allotment of clasps should be referred to a committee of representatives from all theatres of war, to be held at the close of hostilities; on this committee there would, of course, be representation of the Dominions.

As regards the Navy, while it is desired to adopt the same general procedure as in the case of the Army, the authorities concerned desire to retain the principle of awarding clasps for all actions of conspicuous merit, and for certain special services considered deserving of special recognition. Further, as the major portion of naval contact with enemy craft is in home waters, whereas the contact with enemy military forces is overseas, the international medal would have to be issued accordingly.

4. I may mention, in illustration of the difficulties attending the subject, that it is estimated that from twelve to fifteen million medals will have to be struck. The arrangements for their speedy preparation and distribution after the cessation of hostilities will naturally need detailed consideration later on.

5. So far, no decision has been reached on the question whether the medals should be made of silver, or of some alloy. In any case, the present exceptional cost of silver, and the effect which any extensive purchase would have on Indian finance, etc., has rendered it necessary for instructions to be given that no purchases of silver for the purpose of medals should be made under present market conditions

I have, etc.,

WALTER H. LONG

Enclosure in No. 87.

THE King, having expressed a wish to recognize specially the services given in the earlier part of the War in 1914 by troops in France and Belgium, the Army Council—after consultation with Field-Marshal Viscount French—have advised His Majesty that the object could best be met by the award of a distinctive decoration, with riband, but without clasp, to all officers, warrant officers, non-commissioned officers, and men on the establishment of a unit of the British Expeditionary Forces, including the Indian Contingent, the Royal Naval Division, and other naval and marine units, who landed for service in France or Belgium during the earliest and most critical phase of the War up to and including the first battle of Ypres.

Arrangements are being made accordingly to give effect to his Majesty's wishes, and a further announcement on the subject will be made as soon as possible.

57880

No. 88.

COMMONWEALTH OF AUSTRALIA: NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 2.35 p.m., 22nd November, 1917.)

TELEGRAM.

[Answered by Nos. 93 and 95.]

(Paraphrase.)

SUGGESTION that some recognition should be given by Australia and New Zealand to Australians and New Zealanders who left in 1914, and afterwards took part in the operations in Gallipoli, has been given careful consideration. One decoration to be issued by the two Governments. Question has been discussed by Army Council, and, on condition that the decoration is only given to members of the Australian Imperial Force or New Zealand Expeditionary Force, the proposal has their full approval. It has been submitted to His Majesty, who has been graciously pleased to approve. It is wish of His Majesty that this mark of distinction should take the form of a decoration such as is being given in the case of the British Expeditionary Force of 1914 rather than of a medal. The design and ribbon should be submitted for approval of His Majesty. It should, of course, be quite distinct from any British decoration past or present. Telegram has been sent to [New Zealand] [Australia] in similar terms.—LONG.

57880

No. 89.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND ACTING GOVERNOR.

(Sent 2.45 p.m., 22nd November, 1917.)

TELEGRAM.

[Answered by Nos. 91, 94, 96, and 97.]

(Canada.)
(Union of South Africa.)
(Newfoundland.)

(Paraphrase.)

WITH reference to discussion regarding medals at Imperial War Conference, please inform Ministers that I have sent following telegram to Governors-General Commonwealth of Australia and New Zealand. *Begin:* Suggestion that some recognition . . . [See No. 88.] . . . from any British decoration past or present. *Ends.*

Have your Ministers any observations to offer from point of view of [Canadian] [Union] forces? [Newfoundland Regiment?]

[To Newfoundland only: Copy sent to Sir E. Morris.]

— LONG

58234

No. 90.

COMMONWEALTH OF AUSTRALIA: NEW ZEALAND.
THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 4.5 p.m., 30th November, 1917.)

TELEGRAM.

REFERRING to my telegram of 23rd November,* [22nd November] decoration for men who served under Lord French up to 22nd November, 1914, will be Star in bronze. No clasp. Riband will be red, white, and blue, shaded and watered.—LONG.

59466

No. 91.

UNION OF SOUTH AFRICA.
THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.30 p.m., 3rd December, 1917.)

TELEGRAM.

3RD DECEMBER. Your telegram of 23rd November,† medals. Ministers have no observations to offer at the present time.—BUXTON.

62779

No. 92.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

TELEGRAM.

(Sent 4.15 p.m., 21st December, 1917.)

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

[To Canada and Newfoundland: 21st December.] His Majesty the King has been pleased to approve award of chevrons to denote service overseas undertaken since 4th August, 1914. Amongst those eligible are officers and soldiers of Oversea Forces, members of Oversea Nursing Services, civilians attached to British Forces in an official capacity, Native Labour Corps, and members of officially recognized Voluntary Aid Detachments. In case of oversea forces, date for award first chevron will be that of leaving their own country or, where employed in local operations, date of crossing frontier or that on which they commenced to take part in active operations. Additional chevrons to oversea troops will be awarded for each successive aggregate period of twelve months' service away from their own country or within sphere of active operations. First chevron, if earned on or before 31st December, 1914, will be red, and if earned on or after 1st January, 1915, blue. All additional chevrons after first will be blue. Chevrons are not to be regarded as being in nature of reward, and there will be no posthumous award.

Army Order which contains full details as to wearing and issue of chevrons follows by mail.—LONG.

* No. 88.

† No. 89.

531

62928

No. 93.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE

(Received 2.30 a.m., 23rd December, 1917.)

TELEGRAM.

(Paraphrase.)

YOUR telegram of 22nd November.* My Government are of opinion that decoration should be given to all Australian and New Zealand troops who took part in the campaign at Gallipoli, and at their request I have informed the Governor-General of Australia in this sense.—LIVERPOOL.

2751

No. 94.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.50 p.m., 14th January, 1918.)

TELEGRAM.

(Paraphrase.)

14TH JANUARY. Your telegram of 25th November,† [22nd November,] war medals. Canadian Government refer you to observations of Prime Minister on this subject at Imperial War Conference. As these embody views of Canadian Government, Ministers would be glad if you would discuss subject with Perley and Kemp. If special decorations for services in any particular theatre are to be awarded, Canadian Government reserves right to make further representations.—DEVONSHIRE.

2967

No. 95.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.8 p.m., 16th January, 1918.)

TELEGRAM.

(Paraphrase.)

YOUR telegram 22nd November.* In opinion of Commonwealth Government decoration should be given to all ranks of Australian and New Zealand forces who took part operations in Gallipoli at any time included in period between disembarkation in Egypt and date of final evacuation of Gallipoli.—MUNRO-FERGUSON.

3214

No. 96.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 4.20 p.m., 17th January, 1918.)

TELEGRAM.

(Paraphrase.)

REFERRING to your telegram 23rd November,† [22nd November,] as to special decoration for Gallipoli campaign, Ministers concur generally in proposal. They would like to see design before (final) approval. Despatch‡ follows.—HARRIS.

* No. 88.

† No. 89.

‡ No. 97.

7097

No. 97.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 8th February, 1918.)

[Answered by No. 102.]

(Confidential.)

SIR, Government House, St. John's, 15th January, 1918.
YOUR telegram of the 24th November,* [? 22nd November] on the subject of a decoration for the men of the Newfoundland Regiment who have taken part in the operations at Gallipoli, has been under the consideration of my Ministers, and I have the honour to inform you that they desire to have a recognition given to the men of the Newfoundland Regiment similar to that which is given to the men from Australia and New Zealand who also fought at Gallipoli.

2. My Ministers understand that the distinction will take the form of a decoration quite distinct from any past or present British decoration, and they would be glad to have submitted to them, if possible, the design which it is proposed to approve for it. If a general design for all the three forces is proposed my Ministers believe that they should be glad to adopt the same design; if there is to be a difference in design they would be glad to have an opportunity of considering the variation intended for Newfoundland.

3. The Government of Newfoundland is also prepared to meet any expense which may be thrown upon them in respect of such decoration.

I have, &c.,

C. ALEXANDER HARRIS.

19852

No. 98.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 23rd April, 1918.)

(Confidential (3).)

Government House,

SIR, Wellington, 23rd February, 1918.
I HAVE the honour to acknowledge the receipt of your despatch Confidential, Dominions No. 729, of the 13th November last,† on the subject of the issue of war medals, and to inform you that my Prime Minister, under whose notice I brought the despatch, advises me that he will discuss this question during his forthcoming visit to the United Kingdom.

I have, &c.,

LIVERPOOL,

Governor-General

23371

No. 99.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE

(Received 4.50 p.m., 11th May, 1918.)

TELEGRAM.

[Answered by No. 103.]

(Paraphrase.)

YOUR telegram 22nd March.‡ Commonwealth and New Zealand Governments agree in recommending Gallipoli star and ribbon should be as follows:—

* No. 89. † No. 87. ‡ 13160: not printed. This telegram stated that the Secretary of State was doing his utmost to expedite a reply to the Governor-General's telegram of 10th January (No. 95).

Star: eight-pointed bronze star, in diameter one and one-half inch. Obverse, in the centre, raised crown in silver, surmounted by word "Gallipoli," and underneath, date 1914-15. Reverse, plain for inscription particulars recipient. Bar for suspension fixed to uppermost [? side] of the star.

Ribbon: five stripes; centre, three-eighth inch light blue stripe, representing the sea, one-eighth inch stripe crimson on each side of light blue, representing Australia, flowering gum, and rata, New Zealand, on one side bordered with five-sixteenth inch gold stripe, representing wattle blossom of Australia, and on other side with five-sixteenth inch silver grey stripe, representing silvery sheen of the New Zealand fern. The whole in width one and one-quarter inch, reading left to right, gold, crimson, light blue, crimson, silver grey.

Upon reconsideration Commonwealth Government considers Gallipoli star should be issued only to officers and men who landed actually on Gallipoli.—FERGUSON.

23371

No. 100.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.50 p.m., 15th May, 1918.)

TELEGRAM.

[Answered by No. 101.]

(Paraphrase.)

TELEGRAM* received from Governor-General of Commonwealth giving details of Gallipoli star and ribbon, in which, as I understand, your Government concur. Governor-General adds that Commonwealth Government upon reconsideration consider that star should be issued only to officers and men who actually landed on Gallipoli. Do your Ministers agree as to this?—LONG.

25671

No. 101.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.25 p.m., 25th May, 1918.)

TELEGRAM.

[Answered by Nos. 103 and 105.]

(Paraphrase.)

WITH reference to your telegram 14th May,† the Gallipoli star and ribbon is approved by New Zealand Government, and the proposal that the star should be issued to only those officers and men who landed Gallipoli is concurred in by them.—LIVERPOOL.

26446

No. 102.

NEWFOUNDLAND.

THE SECRETARY OF STATE to THE GOVERNOR.

[Answered by No. 107.]

(Confidential.)

SIR, Downing Street, 17th June, 1918.
WITH reference to your Confidential despatch of the 15th of January,‡ I have the honour to request you to inform your Ministers that the Governments of the Commonwealth of Australia and New Zealand have agreed to recommend that the Gallipoli Star and ribbon should be as follows:—

* No. 99. † No. 100. ‡ No. 97.

Star: eight-pointed bronze star, in diameter one-and-a-half inches. Obverse, in the centre, raised crown in silver, surmounted by word "Gallipoli," and underneath, date 1914-15. Reverse, plain for inscription of particulars of recipient. Bar for suspension to be fixed to the uppermost side of the star.

Ribbon: five stripes; centre, three-eighth inch light blue stripe, representing the sea, one-eighth inch stripe crimson on each side of the light blue, representing flowering gum for Australia, and rata for New Zealand, on one side bordered with five-sixteenth inch gold stripe, representing wattle blossom of Australia, and on other side with five-sixteenth inch silver-grey stripe, representing silvery sheen of the New Zealand fern. The whole in width one and one-quarter inch, reading left to right, gold, crimson, light blue, crimson, silver-grey.

2. I should be glad to learn what are the views of your Government concerning the ribbon which should be given to the men of the Newfoundland Regiment.

3. The question of the service qualifying for the new decoration is still under consideration, and is likely to come up for discussion at the Imperial War Conference.

I have, &c.,
WALTER H. LONG.

40931

No. 103.

COMMONWEALTH OF AUSTRALIA: NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 11.50 a.m., 23rd August, 1918.)

TELEGRAM.

[Answered by No. 106.]

REFERENCE to your telegram of [To Commonwealth of Australia: 11th May.*] [To New Zealand: 25th May.†] Alternative designs for Gallipoli Star and ribbon have been submitted to His Majesty, and those preferred by him have been approved by Prime Minister of Commonwealth of Australia and Prime Minister of New Zealand on behalf of Commonwealth and Dominion Governments respectively.

Regulations governing award of decoration to Australian and New Zealand troops still under discussion.—LONG.

41593

No. 104.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.45 a.m., 24th August, 1918.)

TELEGRAM.

My telegram of 11th May.* Commonwealth Government recommends extension of award of Gallipoli Star to individuals on duty at Lemnos and on ships plying between there and Gallipoli Peninsula, as they were subject to danger, disease, enemy submarines, aircraft, etc. Hope this will be approved and publication of order issued as soon as possible authorizing decoration.—MUNRO-FERGUSON.

* No. 99. † No. 101.

43029

No. 105.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.5 p.m., 5th September, 1918.)

TELEGRAM.

REFERRING to your telegram of 25th May,* following telegram† received from Governor-General of Commonwealth of Australia:—

Begins.—My telegram of 11th May . . . authorizing decoration.—*Ends.*

Have consulted your Prime Minister, who, on behalf of New Zealand, has agreed to proposed extension award provided that suggested modification of conditions does not involve delay.—LONG.

49705

No. 106.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.30 a.m., 8th October, 1918.)

TELEGRAM.

(Paraphrase.)

YOUR telegram 23rd August,‡ Gallipoli Star. Commonwealth Government will be glad to receive by telegram, if now available, information as to categories to which decoration shall be issued, and description of design of star and ribbon.—GOVERNOR-GENERAL.

49320

No. 107.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 12th October, 1918.)

(Confidential.)

SIR, Government House, St. John's, 23rd September, 1918.

I HAVE the honour to acknowledge the receipt of your Confidential despatch of the 17th June,§ requesting to be furnished with the views of my Ministers on the ribbon to be granted to the Royal Newfoundland Regiment with the proposed Gallipoli decoration.

2. My Ministers, after considering the matter carefully with me, awaited the return of the Minister of Militia, and, with his concurrence, now suggest that the ribbon should consist of the colours which represent the flash of the regiment and the 29th Division; and we hope that there will be no objection to the adoption of these colours, which mark an association of which the regiment is very proud.

3. As the claret colour of the regiment is different from the divisional flash, which is scarlet or bright red, there would be three colours in the ribbon, namely, claret, white, and scarlet (or bright red).

I have, &c.,
C. ALEXANDER HARRIS

* No. 101. † No. 104. ‡ No. 103. § No. 102.

44468

No. 108.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND ACTING GOVERNOR.

(Sent 9.0 p.m., 16th October, 1918.)

TELEGRAM.

[Answered by Nos. 109, 110, 111, and 112.]

(Paraphrase.)

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

DIFFICULTIES of serious nature have arisen owing to strong objection taken not only by Press and Members of Parliament here, but by Dominion troops themselves, to the issue to the Dominion troops serving in Gallipoli of decorations which cannot be conferred on their British comrades who shared the hardships and dangers. Even more serious anomalies would be involved by the extension of this decoration, for demands for issue of indefinite number of further campaign decorations would become irresistible. Following proposal has now been made by Committee presided over by General Seely, to whom His Majesty's Government entrusted consideration of question:—

(1) 1914 Star in its present form to be granted under conditions now approved as defined in Army Order 350 of 1917.

(2) 1914 Star, with the same riband but bearing an altered date, 1914-15, to be extended to all those ineligible for the 1914 Star who served in the campaign in a theatre of war prior to 5th August, 1915, and to be granted to all those who arrived in such theatre of war on duty and with proper authority prior to that date.

(3) Army Council to define "theatre of war," in consultation with the Air Board and Admiralty, thus including:—

- (a) All Australian, New Zealand, and Newfoundland troops who fought in Gallipoli, as well as all the British and Indian troops who were on the Peninsula, with very few exceptions.
- (b) The 1st Canadian Division, the Canadian Cavalry Brigade, and the early reinforcements of both, who fought at battle of Festubert at second battle of Ypres.
- (c) All those who fought in German South-West Africa, and nearly all the Indian troops who fought in East Africa.
- (d) All British, Dominion, and Indian troops who fought in the defence of Egypt.
- (e) All officers and other ratings of the Royal Navy and the Royal Marines who served during first year of war on a ship at sea.
- (f) All members of the Flying Services fulfilling the prescribed conditions.

Solution proposed above would remove entirely the anomaly of troops serving side by side in the same theatre of war not receiving the same reward for their services, and would give to nearly all those who first responded to the call of duty a decoration which would be prized extremely highly, and which has been confined hitherto only to those who rendered this service in France. It would remove also existing anomaly by which the 1914 Star is issued to many thousands of officers and men whose duties kept them far away from the fighting line at a base in France, whereas officers and men who offered their services at the beginning of the War, and took part in the fighting at Festubert or Gallipoli, are ineligible for any special decoration. The grant by the King himself of one decoration to British Dominion and Indian troops alike would symbolize the unity of the Empire.

[To Australia and New Zealand: Great importance, His Majesty's Government are aware, has been attached in Australia and New Zealand to a special decoration for Gallipoli. It is proposed that, in event of proposal being adopted, special clasp on War Medal for Gallipoli should be given. His Majesty's Government

534

earnestly trust that your Government will concur in adoption of the proposals of the Committee, which will, of course, involve giving up the proposals already approved for Gallipoli decoration and ribbon. I may add that, in opinion of His Majesty's Government, proposals of Committee offer only satisfactory solution. I cordially concur in this opinion.]

[To Canada, Union of South Africa, and Newfoundland: His Majesty's Government trust that your Government will concur in adoption of proposals of the Committee.]—LONG.

50609

No. 109.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.0 p.m., 20th October, 1918.)

TELEGRAM.

[Answered by No. 115.]

(Paraphrase.)

1914 STAR. My Government is in entire concurrence with the general principles expressed in your telegram of 16th October,* but regard as essential the following modification, viz.: that as regards New Zealand troops the date should be 19th December, 1915, the date of evacuation of Gallipoli, instead of 5th August, 1915, for the following reasons: first, because, owing to very strong criticism of the original proposal, it has been published widely in Press here already that all New Zealand troops would be awarded Star who served at any time during operations on Gallipoli; secondly, because the application of the date of 5th August, 1915, to New Zealand troops would have the effect of excluding those who took part in the hard fighting in August and September, 1915, on the peninsula, while the force which occupied Samoa, which it is assumed would be regarded as a theatre of war though no fighting actually occurred, would be eligible for the decoration; thirdly, because of the inequality that would be created between Imperial and New Zealand troops by adherence to 5th August, 1915. The former could, in most cases, reach the theatre of operations after embarkation in a much shorter time than the latter, and, as the New Zealand Expeditionary Force did not leave here until 16th October, 1914, and did not arrive in Egypt until December, 1914, the period in the case of New Zealand troops of eligibility for the decoration would be only eight months, i.e., from the beginning of December, 1914, to 5th August, 1915.

My Prime Minister desires especially to place on record that he has always considered that Imperial troops should not be excluded from recognition in connexion with their services on Gallipoli, and therefore is very pleased indeed to observe the proposals contained in your telegram, but he is anxious for reasons given above that the decoration will be granted up to time of the evacuation of Gallipoli, so far as New Zealand troops are concerned. I should be glad of an early reply.—LIVERPOOL.

52553

No. 110.

NEWFOUNDLAND.

THE ACTING GOVERNOR to THE SECRETARY OF STATE.

(Received 12.40 a.m., 31st October, 1918.)

TELEGRAM.

[Answered by No. 114.]

(Paraphrase.)

30TH OCTOBER.—Referring to your telegram of 28th October,† Gallipoli decoration, Government of Newfoundland regrets it is unable to concur in the

* No. 108. † A reminder, 51020; not printed.

proposal of His Majesty's Government on account of date mentioned. The effect is to exclude from participation in the awards whole of the Newfoundland troops who took part in the campaign. If the time was enlarged to 6th or 7th January, 1916, date on which they evacuated Helles, it would enable them to participate, and the Government could then concur in the proposal. This position was explained by the Prime Minister, before he left England, to the Adjutant-General's Department.—HORWOOD.

52623

No. 111.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.50 a.m., 1st November, 1918.)

TELEGRAM.

[Answered by No. 115.]

Your telegram 16th October.* 1914 Star. Ministers concur in the adoption of proposals. They add that medal rolls for the campaign in German South West Africa have been prepared and are filed at Union (?) Defence Headquarters, Pretoria, and can be used as the data for the compilation of such rolls as the Army Council may direct to be prepared.—BUXTON.

52977

No. 112.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.30 p.m., 2nd November, 1918.)

TELEGRAM.

[Answered by No. 114.]

(Paraphrase.)

Your telegram 16th October.* Gallipoli decoration. Commonwealth Government concurs generally in proposals outlined therein relative to issue of 1914-1915 Star, but, before final authorization, desires that two following points may be considered:—

(1) That date should be extended to cover final evacuation of Gallipoli; (2) That theatres of war be extended so as to include those troops who fought at Bismarck Archipelago as defined in Appendix 1 (?) of Army Council Instruction 336 of 1918; otherwise there will be anomaly ratings of certain Australian warships, who served during first year of War in this theatre, receiving medal but not the infantry who fought on land.—MUNRO-FERGUSON.

54429/S

No. 113.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.30 p.m., 12th November, 1918.)

TELEGRAM.

(Paraphrase.)

12TH NOVEMBER. Matter most urgent. With reference to my telegram of 16th October,* Gallipoli decoration. In order to provide as far as practicable for inclusion of all Dominion troops who took part in Gallipoli operations, whilst retaining fixed date applicable to theatres of war generally, it is now proposed to extend date to 31st December, 1915. As announcement in Parliament desired, I should be grateful for a reply to my telegram of 16th October at earliest possible date.—LONG.

* No. 108.

54429/S

No. 114.

COMMONWEALTH OF AUSTRALIA: NEWFOUNDLAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL AND ACTING GOVERNOR.

(Sent 11.30 p.m., 12th November, 1918.)

TELEGRAM.

[Answered by No. 118.]

(Paraphrase.)

MATTER most urgent. Gallipoli decoration. [To Commonwealth of Australia only: Your telegram of 2nd November.*] [To Newfoundland only: Your telegram of 30th October.†] Now proposed to extend date to 31st December, 1915, but, in view of necessity of fixing a definite date applicable to theatres of war generally, feared impossible to arrange extension to date of final evacuation. [To Newfoundland only: At request of Commonwealth Government provision will be made for inclusion of Bismarck Archipelago as theatre of war. His Majesty's Government earnestly hope that your Government will agree to limiting date being 31st December, 1915. As announcement in Parliament desired please telegraph reply as soon as possible.]—LONG.

54429/S

No. 115.

NEW ZEALAND: UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 11.30 p.m., 12th November, 1918.)

TELEGRAM.

[Answered by No. 119.]

(Paraphrase.)

GALLIPOLI decoration.

[To Union of South Africa only: Your telegram of 1st November.‡] [To New Zealand only: Your telegram of 20th October.§] Now proposed to extend date to 31st December, 1915; also, in view of representations made by Commonwealth Government, to provide for inclusion of Bismarck Archipelago as a theatre of war.

[To New Zealand only: Presume that there will be no objection on the part of your Ministers.]—LONG.

54429/S

No. 116.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 10.30 p.m., 13th November, 1918.)

TELEGRAM.

(Paraphrase.)

GALLIPOLI decoration. In absence of reply to my telegram 12th November,|| and looking to statements made by your Ministers at Conference, 1917 and 1918, announcement will be made in Parliament to-morrow, as I assume that they see no objection to proposal.—LONG.

* No. 112.

† No. 110.

‡ No. 111.

§ No. 109.

|| No. 113.

54429

No. 117.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 10.30 p.m., 13th November, 1918.)

TELEGRAM.

(Paraphrase.)

URGENT. Gallipoli decoration. My telegram 12th November;* it is ascertained, on investigation and after consultation with General Richardson and General Griffiths, that 31st December will cover case of all Australian and New Zealand troops. In these circumstances announcement will be made in Parliament to-morrow as wishes of your Government are fully met.—LONG.

60299

No. 118.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 8.35 p.m., 11th December, 1918.)

TELEGRAM.

(Paraphrase.)

VERY urgent. With reference to your telegram of 12th November,* Gallipoli decoration, Newfoundland Government agrees limitation 31st December.—HARRIS.

61906

No. 119.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.20 p.m., 20th December, 1918.)

TELEGRAM.

WITH reference to your telegram 12th November,† Gallipoli decoration. My Government have no objection, providing Samoa is also included, to the inclusion of Bismarck Archipelago as a theatre of war.—LIVERPOOL.

1256

No. 120.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 758.)

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 31st December, 1918.

WITH reference to previous correspondence, I have the honour to transmit to [Your Excellency.] [you.] to be laid before your Ministers, a copy of an announcement made in the House of Commons on 14th November as to the award of a Star similar to the 1914 Star, and the conditions governing the issue of this decoration.

* No. 114.

† No. 115.

2. It was subsequently announced in the House of Commons, in reply to a question whether the decoration would be given to the relatives of those who fell during the operations, that the decoration would be issued to the legal representative or the next-of-kin, according to whether the deceased soldier died testate or intestate.

I have, &c.,

WALTER H. LONG.

Enclosure in No. 120.

HOUSE OF COMMONS DEBATES, 14TH NOVEMBER, 1918.

War Service (Decorations).—Statement by Mr. Macpherson.

COLONEL LESLIE WILSON (by private notice) asked the Under-Secretary of State for War whether he is in a position to make any announcement with regard to the award or decoration to officers, non-commissioned officers, and men who took part in the Gallipoli operations

MR. MACPHERSON: I have received also a private notice question from my honourable friend the Member for South Salford (Sir M. Barlow). I hope the House will pardon my giving a somewhat long answer to the questions.

As has been already stated in the House, the settlement of this matter has been complicated, owing to the diversity of the interests involved, and has been delayed by the need for consultation with the Dominion authorities.

I am glad to be able to say that an agreement has been reached which has received the approval of the War Cabinet and His Majesty the King, and which, I am assured, is satisfactory to those principally concerned. In the first place, the 1914 Star will be reserved for its special purposes. A Star on the same model and with the same riband, but bearing distinctive marks as to date, viz., the years 1914-15, will be given to all officers and other ranks of the Royal Navy and Royal Marines who, prior to 31st December, 1915, served in a ship of war at sea, and all officers and other ranks of military and air forces who served in a theatre of war prior to the same date. In every case the officer or man must have served on duty and with proper authority, and no officer or man will receive the 1914-15 Star in addition to the 1914 Star.

Thus, in the same way that those who first bore the brunt of the attack in France and Flanders received a special mark of recognition by the award of the 1914 Star, so those from our Dominions and Colonies, as well as British and Irish troops who first responded to the call of duty and served in a theatre of war, will receive special recognition. The House will recollect that it has been originally proposed and sanctioned that the Governments of Australia and New Zealand should present their troops with a special medal for the operations on the Peninsula. They have now agreed to the new proposal, so that all troops, British and Indian, and those from the Dominions, who shared the same dangers and hardships shall receive the same award. The date chosen, namely, the 31st December, 1915, forms a definite break in the operations, and all concerned have accepted it on the understanding that it is final. It will interest the House to know that there will be included, in addition to all those who fought on the Gallipoli Peninsula, the Canadian troops who fought at the second battle of Ypres, the battle of Festhubert, and subsequent operations of that year in France and Flanders, all those who fought at the battle of Loos, the troops engaged in the defence of Egypt, the troops who conquered German South-West Africa under the command of General Botha, as well as all who were engaged in other parts of the African continent, the Australian force which captured the Bismarck Archipelago, and those who fought so gallantly under General Townshend at Kut.

1256

No. 121.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.(Canada.)
(Commonwealth of Australia.)
(Union of South Africa.)
(New Zealand.)
(Newfoundland.)

Dominions No. 759. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 31st December, 1918.

WITH reference to my despatch Dominions No. 729, Confidential, of the 13th November, 1917,* on the subject of war medals, I have the honour to observe that, as [Your Excellency's] [your] Ministers are aware, the question was further discussed at the Imperial War Conference, 1918, as will be seen from pages 101-115, 116, and 179-191 of the Confidential Proceedings,† copies of which are being sent to you separately.

2. It will be remembered that, subsequent to the discussion, the question was raised of substituting for the proposed Gallipoli decoration an extended distribution of a Star similar to the 1914 Star. As a result of the correspondence arising out of my telegram of the 16th October,‡ an announcement as to the conditions on which this decoration would be issued was made in the House of Commons on 14th November. A copy of this announcement is being sent to you in my despatch Dominions No. 758 of to-day.§

I have, &c.,
WALTER H. LONG.

62809

No. 122.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 5.45 p.m., 1st January, 1919.)

TELEGRAM.

[Answered by No. 124.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

[To Canada and Newfoundland: 1st January.] My telegram 12th November.|| Following is substance of Army Order, issued 23rd December, with regard to the grant of 1914-1915 Star. [Here followed gist of Army Order XX of 1918.]

Regulations to similar effect have also been issued by Admiralty. [Here followed gist of Admiralty Order 4045 of 1918.]

Texts of Army Order and Admiralty Regulations follow by mail.—LONG.

62809

No. 123.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

Dominions No. 55.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 24th January, 1919.

WITH reference to my predecessor's telegram of the 1st January,* with regard to the conditions governing the award of the 1914-15 Star, I have the honour

* No. 87. † Dominions No. 69. ‡ No. 108. § No. 120. || Nos. 119, 114, and 115.
¶ No. 122.

to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the Army Order* of the 23rd December, and of the Admiralty Order* of the 24th December, dealing with the subject.

I have, &c.,
MILNER.

7509

No. 124.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 4th February, 1919.)

(Confidential.)

SIR, Government House, St. John's, 6th January, 1919.

I HAVE the honour to acknowledge the receipt of your telegram of the 1st instant,† with reference to the bronze star to be issued in respect of operations in 1914-15 covering all theatres of the Great War.

2. I regret that I have not before confirmed my telegram of the 11th December,§ conveying my Ministers' concurrence in the proposal to fix the limit of the period of qualification as at the 31st December, 1915; for I should explain that this concurrence was given on the clear understanding that all Newfoundland troops who had been employed in Gallipoli would qualify for the star, since they were at the date mentioned, namely, 31st December, 1915, actually operating in that theatre of war.

3. I venture to emphasize this matter in order to avoid any possibility of friction or annoyance when the medal rolls come to be made out.

4. I gather that this correspondence entirely supersedes and cancels the correspondence with reference to a special decoration for forces from the Self-governing Dominions which ended with my despatch Confidential of the 23rd September, 1918.‡

I have, &c.,
C. ALEXANDER HARRIS.

11698

No. 125.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 2.0 p.m., 8th March, 1919.)

TELEGRAM.

[Answered by Nos. 127, 129, 131, 133, 136, and 142.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

8TH MARCH. Referring to my despatch of 13th November, 1917, Dominions 729, Confidential,§ following are general proposals which it is now proposed to adopt with regard to medals.

1. Every gazetted officer and attested man in Navy, Army, and Air Force to receive British war medal.

2. Allies medal which has been agreed to at Paris Conference to be restricted as far as possible for fighting service, and be given—

(a) in Navy to all officers and men who have been afloat on duty;

(b) in Army to all officers and men who have entered theatre of war on strength of any military unit on duty;

* Army Order XX of 23rd December, 1918, and Admiralty Order, 4045, of 1918: not printed.
† No. 122. ‡ No. 107. § No. 87.

(c) in Air Force to all officers and men (1) posted to any theatre of war, (2) engaged in air against enemy, (3) employed in flying new aircraft to France, (4) who have formed part of complement of aircraft-carrying ships.

3. Question of battle clasps to be considered by Special Committee of Representatives of all three services. Dominions to be represented on this Committee.

4. Special Mercantile Marine medal to be granted, see my telegram of 29th January,* but proposed that in no circumstances should any man be allowed to wear more than two medals.

5. Special medal to be called Red Cross and St. John's Medal, to be given to all men and women engaged in actual hospital work in any part of the Empire; those who have entered theatre of war to receive British and Allies medal, like Army.

6. Women borne on strength of organized force to be entitled to both British and Allies medal if they have entered theatre of war on duty. Women belonging to any independent organization recognized by War Office in any theatre of war to receive British medal only.

7. Question of a general war workers' medal has been carefully considered, but difficulties found to be insuperable, and, moreover, proposal not welcomed by Trade Union Advisory Committee. Idea accordingly abandoned.

It is desired to issue notice to Press to above effect.

Please telegraph any observations which Ministers may desire to make as soon as possible.

Presumed that Dominion Governments will desire to bear cost of medals and ribbons supplied for allocation by them.—MILNER.

11698

No. 126.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.5 p.m., 8th March, 1919.)

TELEGRAM.

8TH MARCH. Confidential. Referring to my telegram of 8th March,† medals. As regards proposed war workers' medals, great difficulty was in finding definition of "munitions of war," and discriminating between various activities essential to conduct of war. No justification appeared to exist for distinguishing between those engaged on guns, explosives, etc., and those occupied in equally essential industries such as production of railway materials or shipbuilding.

Had medal been given for war work generally it is probable that some six million people would have been affected.—MILNER.

18364

No. 127.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.20 p.m., 24th March, 1919.)

TELEGRAM.

(Extract.)

WITH reference to your telegram 8th March,† Government of New Zealand agree to bear cost of medals and ribbons supplied for allocation by them.—LIVERPOOL.

* 4634: this and the connected correspondence are not printed.

† No. 125.

11698

No. 128.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 4.0 p.m., 3rd April, 1919.)

TELEGRAM.

[Answered by Nos. 129 and 136.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

3RD APRIL. Confidential. Referring to my telegram of 8th March,* medals. Now considered that it would not be possible to enforce condition under (4) that wearing more than two medals not permissible, and, therefore, proposal withdrawn.

[To Canada, Commonwealth of Australia, Union of South Africa, and Newfoundland: Should be grateful for reply to my telegram of 8th March* as soon as possible, as desired to make announcement in Press not later than middle of April.]

—MILNER.

20830

No. 129.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 10.55 p.m., 4th April, 1919.)

TELEGRAM.

4TH APRIL, 1919. Confidential. Your telegram 8th March,* your telegram 3rd April,† medals. My Ministers concur in proposals. Government of Newfoundland willing to bear cost of medals and ribbons as suggested by you.—HARRIS.

22166

No. 130.

HOUSE OF COMMONS.

EXTRACT FROM "TIMES," OF 11TH APRIL, 1919.

War Medal and Ribbon.

GENERAL SIR IVOR PHILIPPS (Southampton, Coalition Liberal) asked the Secretary for War whether a general war medal had been decided upon and a design for a ribbon approved; whether the design for the ribbon had been registered under the Patents and Designs Act; and whether an order had been issued by the Army Council that no person would be allowed to deal in such ribbon without written permission of the Army Council, contrary to the decision of the House on 2nd April.

MR. CHURCHILL, Secretary for War and Air (Dundee, Coalition Liberal): A general war medal has been decided upon and the design of a ribbon has been approved. The design of the ribbon has been registered under the Patents and Designs Act, the object of such registration being to ensure that all the ribbon manufactured shall be conserved for Government requirements. It is the intention that a free preliminary issue shall be made to all men entitled to the medal, whether serving or discharged. The quantity of ribbon required exceeds 2,000,000 yards, and if the private manufacture and sale of this ribbon is permitted before Government requirements are satisfied, the issue of the ribbon will be delayed for a very long time. As in the case of the 1914 Star ribbon, which was similarly registered,

* No. 125.

† No. 128.

this riband will be released for general sale as soon as sufficient quantities are obtained. The War Office is not only responsible for obtaining sufficient riband for the Army, but has to provide for the consolidated requirements of all Government Departments, which include the Admiralty, Air Ministry, Colonial Office, Board of Trade, India Office, and all Dominions.

SIR IVOR PHILIPPS: Then the right honourable gentleman has no intention of licensing all the traders in this country who desire to provide this ribbon for the use of soldiers after the public issue has been completed?

MR. CHURCHILL: No, I don't mean that. I think it natural we should try to get the ribbon out to the men who have earned it as quickly as possible. We must have control in the first instance.

SIR IVOR PHILIPPS: You do not propose to license all the traders afterwards. The words in the Order are that they may not deal in it. When the Army Bill was before the House the member for North Cumberland proposed that the Army licence should be given, and the right honourable gentleman said he could not accept the proposal.

MR. CHURCHILL: I have no intention whatever of overriding the law of the land, and if I had that extreme intention I could not carry it into effect. The law has been passed by the House. Administrative action can in no way run counter to the law.

SIR IVOR PHILIPPS: If the right honourable gentleman makes this a patent production does he not see that he is creating a gigantic monopoly in the supply of ribbon to about ten million soldiers and sailors?

MR. CHURCHILL: What we want to do is to get the ribbon out, so that it may be worn by our soldiers before the people have almost forgotten that a war has been on. The moment that is over there will be free trade.

CAPTAIN C. CRAIG (Antrim, S., Coalition Unionist): Has the right honourable gentleman come to any decision about making a distinction between 1914 and 1915?

MR. CHURCHILL: The decision has been reached that there shall be a silver rosette similar to that which marks the repeated D.S.O. on the 1915 ribbon for the 1914 men of the original army. I have submitted to a committee the study of the regulations which shall secure that this rosette is only given to those people who in 1914 really took part in the fighting (cheers), and not distributed among a mass of people who never went beyond Havre (cheers).

Asked whether it was proposed to give a free issue of the new medal ribbon with the rosette upon it.

MR. CHURCHILL said: We intend to make free issues in the first instance, not only to serving, but to discharged, soldiers.

22413

No. 131.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.5 a.m., 12th April, 1919.)

TELEGRAM.

11TH APRIL. Your telegram 8th March,* medals. Government of Canada not yet in position to give definite reply to questions raised therein, as certain difficulties have arisen which it is hoped may be overcome soon.—DEVONSHIRE.

22066

No. 132.

COMMONWEALTH OF AUSTRALIA: UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 2.0 p.m., 14th April, 1919.)

TELEGRAM.

[Answered by No. 134.]

REFERRING to my telegrams of 8th of March and 3rd April,† medals; should be glad of reply this week if possible.—MILNER.

* No. 125.

† Nos. 125 and 128.

23193

No. 133.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.10 p.m., 15th April, 1919.)

TELEGRAM.

15TH APRIL. My telegram 11th April,* your telegram 8th March,† medals. Ministers of Militia and Naval Service concur in proposals set forth your telegram; it appears, however, that, in opinion of Overseas Minister of Militia, Allies medal should not be restricted to "officers and men who have entered theatre of war on strength of any military unit on duty," but that in case of troops from overseas Dominions they should also be granted to those who have been serving in British Isles. My Ministers suggest that Overseas Minister be given opportunity of stating his views in this matter to War Office.—DEVONSHIRE.

23195

No. 134.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.5 p.m., 15th April, 1919.)

TELEGRAM.

15TH APRIL. Your telegram 14th April,‡ medals. Ministers regret they are unable to reply to your telegram 8th March† until they receive answer from General Smuts, with whom they are in communication.—BUXTON.

24613

No. 135.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 326. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 30th April, 1919.

WITH reference to my telegram of the 8th of March,† I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copies of a memorandum on war medals, which it is proposed to issue shortly to the Press. [Not to Newfoundland: A copy has been sent to your Prime Minister.]

2. With reference to the last sentence of the section on "Battle Clasps," representatives of the Dominion forces will, as indicated in my telegram under reference, be appointed to the Committee, which will decide what clasps should be awarded.

3. It will be observed that the name "Red Cross and St. John's Medal," under which the medal to be given to those engaged in hospital work was described in my telegram, is replaced by the title "War Hospitals Service Medal."

I have, &c.,

MILNER

* No. 131.

† No. 125.

‡ No. 132.

Enclosure in No. 135.

(Confidential.)

WAR MEDALS.

THE question of war medals was first discussed in 1916 in connexion with the interchange of bravery medals with the Allies. At that time it was assumed that at the conclusion of hostilities the European custom of an interchange of war medals would be carried out. In wars in which European countries had been allied together, it had been the practice for the Allies to exchange a certain number of war medals, e.g., the Crimean War and the Boxer rebellion. This was a comparatively easy matter when the forces engaged were not numerous, but in the present War, where armies are composed of millions, it would be practically impossible to distribute with any fairness a certain number of war medals from each Ally. It would, moreover, be extremely unfair on the troops who had fought in theatres of war outside Europe, since they would probably be excluded from this distribution.

In order to devise an emblem of the victorious alliance which could be worn by the soldiers and sailors of all the Allied countries, it was proposed to institute an Allies Medal. The conditions of service vary, however, in each country, and it was therefore suggested that each Allied Government should have a perfectly free hand to decide the lines on which it should be distributed, but a hope was expressed that it should, as far as possible, be associated with actual fighting.

At a meeting of representatives of all the Associated Powers, held in Paris, in March, 1919, it was decided to put forward the following recommendation:—

1. A medal of the Great War will be instituted and called the Victory Medal.
2. This medal will be distributed on principles to be decided by each Government, but in such a manner that it cannot be confused with a purely commemorative medal which might be given to all mobilized men.
3. The ribbon shall be identical for all the countries, and will consist of two rainbows joined by the red in the centre. It shall be distributed as soon as possible.
4. The medal will be round (36 millimetres in width) and made of bronze.
5. As it was thought impossible to have an international competition in the time available, and by this means to select a single artist, it is proposed that, instead of an identical medal, the Allied and associated Powers shall agree to have medals as nearly identical in appearance as possible.

With this object in view they will have the medal designed by their own artist upon the following lines:—

- (a) On the obverse there will be a winged figure of Victory, full length in the middle of the medal, and full face; the borders and the background plain, without either inscription or date.
- (b) On the reverse there will be an inscription: "The Great War for Civilization," translated into the different languages, and either the names of the different Allied and Associated Powers or their coats-of-arms.
- (c) The rim will be plain.

After the Allied Governments had agreed to the proposal, the question was discussed how this medal should be distributed to the troops throughout the British Empire, and the obvious scheme of restricting it to troops who had been engaged in actual fighting at once presented itself. But on referring the matter to experts at the War Office who had been engaged in former distributions of war medals, it was found that, owing to the great depth of fire zone under modern conditions, the expressions "under fire" and "in the presence of the enemy" were very difficult to define with any degree of accuracy, and, therefore, that even if any precise definitions could be made, it would take many years to examine and adjudicate the claims of so many million men. Even then this distribution would be unsatisfactory. It was therefore decided that all that was possible was to give a distinctive reward to those who had entered a theatre of war. As regards the Army it was therefore proposed to restrict the Allies Medal to those officers and men who had entered a theatre of war on the strength of any military unit.

The problem as regards the Navy was somewhat different, although there would not be the same difficulty as would be experienced when dealing with the Army in distinguishing between those who had been engaged in fighting and those who had not, yet it was considered that the definition "all officers and men who

had been afloat on duty" would be analogous to the definition applied to military personnel, viz., "all officers and men who had entered a theatre of war on duty and on the strength of any unit"—it was therefore decided to adopt the former condition of award for naval personnel.

If this analogy was carried on to the Air Force, it would necessarily follow that all those who had been up in the air would be eligible for the Allies Medal, but after consideration it was found that the qualifications in the Army and Navy could in no way be applied to the Air Force, and that distinct conditions of service would have to be drawn up. The Air Council therefore proposed the following:—

1. All officers and men who had been posted to a unit in any theatre of the War outside Great Britain.
2. All officers and men of operational units in Great Britain who have been actively engaged in the air against the enemy.
3. All officers and men employed on flying new aircraft to France.
4. All officers and men who have formed part of the complement of aircraft-carrying ships.

The operational units include those employed on the following duties:—

- (a) Airships employed on fleet reconnaissance, convoy work, and anti-submarine patrols.
- (b) Aeroplanes and seaplanes employed on coast reconnaissance and anti-submarine patrols.
- (c) Aeroplanes and seaplanes employed to protect Great Britain from hostile air raids.

The British Medal.

If the Allies Medal was to be given on these conditions, the question arose how the British Medal should be distributed. It was maintained by many that in a war of this magnitude a man on this side of the Channel had often done far more than a man at the base on the other side or in a distinct theatre of war. It was necessary also to take into consideration the fact that men had been sent to India or to the Colonies without being given the choice of going to a theatre of war. Not only in the British Isles, but also in the Dominions, men had been employed on important and necessary military duties. When a man was once enlisted he had no choice as to where he should serve, and whether he was kept at home or sent to a theatre of war was entirely a matter for the Government to decide. It was therefore proposed that every gazetted officer and every attested man should receive the British Medal, no matter where he had served.

Different Theatres of War.

A general desire was expressed to have a separate medal for each theatre of war, but, on inquiry, it was found that there were several hundred thousand men who had served in more than one theatre of war. As many as 150,000 had even served in four. As it would obviously be unjust to give these men four medals, while the greater portion of the Army serving in France would only receive one, it was decided to abandon the idea of separate medals for each theatre of war.

Battle Clasps.

It was first considered that, owing to the kaleidoscopic nature of the War, and the protracted periods and extensive areas covered by the battles, it would be impossible to award "battle" clasps.

It was thought that the examination of different claims would be such a vast undertaking that the issue of clasps would not be possible for many years. It was therefore decided to award "date" clasps only.

A very strong desire was, however, expressed that "battle" clasps should be awarded. It was represented that there was not the same urgency with regard to the issue of clasps as there was with regard to the issue of medals, and that the British soldier would prefer "battle" clasps, even though their issue would be protracted, than none at all. The matter was therefore reconsidered, and it has been decided that a special committee, composed of representatives of all three services—the Navy, the Army, and Air Force—will be appointed to decide what "battle" clasps should be awarded.

War Workers' Medal.

In the spring of 1915 the late Field-Marshal Lord Kitchener made the following announcement in the House of Lords:—

"I am glad to be able to state that His Majesty has approved that where service in this great work of supplying munitions of war has been thoroughly, loyally and continuously rendered, the award of the medal will be granted on the successful termination of the War."

The question has now arisen how Lord Kitchener's pledge can be put into practice. The matter has been carefully considered from this point of view by various committees appointed for the purpose.

The three main practical points which had to be considered were:—

- (a) To what classes of war workers, in practice, the medal could be awarded.
- (b) Whether existing machinery is available for the distribution of the medal.
- (c) Whether there is a desire on the part of the workers generally that this medal should be given.

Taking the second point first, there is no administrative machinery in existence which could give effect to the distribution of the medal, and the records of the late Ministry of National Service are not likely to be of much use in this connexion. Machinery would have to be set up for the purpose.

As regards the first point, there is the preliminary difficulty of defining "munitions of war." No justification can be sustained for distinguishing between the various kinds of munitions, such as guns, small arms, ammunition, and explosives, which no doubt were in Lord Kitchener's mind when he made his pledge, and those which have been developed since then, such as tanks, aeroplanes, poison gas; as well as equally essential articles, such as mechanical transport, railway materials, optical stores, machine tools, gauges, etc. Further, the claims of those engaged in the shipbuilding industry and the production of raw materials cannot well be ignored; while workers in many firms have often been concurrently engaged on munitions of war and essential civil work, in such a way as to make it impossible to distinguish between the workers engaged in each of these classes of work. There has also been a considerable flow of workers into and out of all factories.

If Lord Kitchener's pledge were to be read as applying to "war work" generally, it is probable that some 6,000,000 people would be affected. Even then it would not be easy to refuse a demand for the inclusion of workers engaged on "other Government work," much of which may be deemed to have been just as essential to the progress of the War as munitions, as well as of those engaged indirectly on war work and of those who have had to perform essential civil work under more difficult conditions.

It was, however, felt that, notwithstanding these difficulties, every effort must be made to find a way of honouring Lord Kitchener's pledge. It was thought that this might be done by narrowing it down to a class of war workers which had specially distinguished itself by doing unaccustomed war work under circumstances of special danger to life and health. These conditions emphatically existed in the case of women employed on dangerous occupations in filling explosives, and chemical factories.

Before, however, making any recommendation to this effect, it was thought to be very desirable that representatives of the employers and trades unions should be consulted. The Trades Union Advisory Committee were consulted, with the result that the representatives expressed themselves as being strongly against any award of a medal, either to all workers or to any particular class of workers.

In these circumstances, the project of giving a general war workers' medal has been reluctantly dropped.

It was originally intended that the medal of the Order of the British Empire should be utilized for recognizing good work generally in the case of war workers. Owing, however, to the very strongly expressed opinions of the workers themselves, this idea was abandoned and the grant of the medal has been confined to war workers who have, in the course of their service, shown special bravery or self-sacrifice, or who have performed some specially distinguished service. Including the January, 1919, *Gazette*, nearly 1,000 British Empire Medals have, so far, been awarded under these conditions. The medal is greatly prized by its recipients and its reputation stands very high with the public and the workers.

The Mercantile Marine War Medal.

It was universally acknowledged that, if any medals were to be given, the officers and men of the Mercantile Marine should be among the first to be considered. It was the King's wish that they should have a distinct medal of their own. Moreover, in view of the perils which they have faced in bringing food and other necessities to this country, transporting troops and munitions, and carrying on our overseas trade, it was felt by the Admiralty that they were fully qualified for the award of the British War Medal also.

It was therefore decided that the Mercantile Marine should be given a special Mercantile Marine War Medal and the British War Medal, the former being restricted to those who had served in a ship which had entered certain specified danger zones. The award of the Mercantile Marine Medal will include pilots, fishing fleets, crews of light ships, vessels employed under pilotage and lighthouse authorities, and Post Office cable ships.

The War Hospitals Service Medal.

The large number of both men and women who have worked under the Red Cross and the Order of St. John of Jerusalem, both at home and abroad, during the War, clearly deserve recognition. Those who have entered a theatre of war will receive the same medals as the Army, but the services of those who have worked in hospitals at home cannot well be ignored. The fact that there would be no medal for war workers made any recognition of their services very difficult, but it has been decided to give a special medal, to be called the War Hospitals Service Medal, to all who have been engaged in actual hospital work in any part of the Empire.

Medals for Women.

Women borne on the strength of an organized force will, if they have entered a theatre of war on duty, be entitled to both the British and Allies Medal, but women belonging to any independent organization recognized by the War Office in any theatre of war will receive the British Medal only.

Precedence of Medals.

It has been decided that these medals and stars shall rank in the following order:—

- The 1914 Star.
- The 1914-15 Star.
- The British War Medal.
- The Mercantile Marine War Medal.
- The War Hospitals Service Medal.
- The Victory Medal.

The Composition and Design of the Medals.

The British War Medal will be made of silver, but all the others in bronze. The design for the British War Medal has been the subject of an open competition among artists, and the best artists in this competition have now been asked to design the Victory Medal for the troops of the British Empire.

26463

No. 136.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.10 p.m., 1st May, 1919.)

TELEGRAM.

With reference to your telegram 8th March, your telegram 3rd April,* war medals. My Ministers concur in proposals His Majesty's Government, with the exception that issue of British war medals should be confined in Australia to men in the following categories:—

(1) Officers and other ranks who enlisted for foreign service, whether they left Australia or not, provided they finally passed as medically fit for active service and actually served satisfactorily.

* Nos. 125 and 128.

(2) Officers and other ranks of the Australian military forces (permanent and citizen) who were compulsorily mobilized for coast defence and actually served.

(3) Officers and other ranks of the permanent force who volunteered for active service but were retained in Australia against their will.

(4) Officers and other ranks who have served on a home service engagement.

Government of Commonwealth of Australia will bear cost of medals and ribbons supplied for allocation by it.—FERGUSON.

25734

No. 137.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 12.50 p.m., 2nd May, 1919.)

TELEGRAM.

[Answered by Nos. 138, 139, 140, 141, and 142.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

2ND MAY. Matter most urgent. My telegram 8th March,* medals. Head 5. After further consideration of difficulties involved, it is now proposed, instead of giving a Red Cross and St. John's medal, to give British war medal to all women borne on the strength of an organized force, and to all persons serving on the staff of a hospital or engaged in handling sick and wounded. Such persons must have served forty-eight hours a week for not less than fifty-two weeks, whether continuously or not. Trust that your Ministers will not see any objection. It is urgently necessary to issue notice.

[To Canada only: Understood from Sir E. Kemp, to whom copy of this is being sent, that your Government agree in scheme generally.]

[To South Africa only: Copy is being sent to General Smuts.]—MILNER.

27342

No. 138.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 9.5 p.m., 5th May, 1919.)

TELEGRAM.

YOUR telegram 2nd May,† medals. My Ministry has no objection to offer.—HARRIS.

29321

No. 139.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.50 a.m., 15th May, 1919.)

TELEGRAM.

YOUR telegram 2nd May,† British war medal. My Ministers see no objection to proposal.—LIVERPOOL.

* No. 125.

† No. 137.

29534

No. 140.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5.0 p.m., 15th May, 1919.)

TELEGRAM.

WITH reference to your telegram 2nd May,* war medals. Senator Pearce, Minister of Defence, will discuss the matter with you direct.—FERGUSON.

30902

No. 141.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2.10 a.m., 23rd May, 1919.)

TELEGRAM.

22ND MAY. Your telegram 2nd May,* medals. My Ministers concur in proposal.—DEVONSHIRE.

32234

No. 142.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.20 p.m., 28th May, 1919.)

TELEGRAM.

28TH MAY. Ministers express general concurrence in proposals communicated in your telegram 8th March,† subject to following observations, and agree that Union funds should bear cost of medals and ribbons supplied for allocation by them.

As regards head 2 (b), Ministers desire that Allies medal issuable to official contingent of Union shall bear Union coat of arms, and that any inscription on medal shall be in both English and Dutch languages. High Commissioner Union has represented that there is difficulty in the way of carrying this last proposal into effect. Ministers cannot regard these difficulties as insuperable, and attach greatest possible importance to their proposals.

As regards head 3, Ministers consider that one clasp only, covering all operations in German South-West Africa, should be issued, with an inscription: "German South-West Africa, 1914/1915," in accordance with proposals contained in last paragraph of War Office letter AG 10/68 121/907, dated 25th March.

With regard to head 5, Ministers see no objection to amended proposal contained in your telegram 2nd May.‡—BUXTON.

42169

No. 143.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND
GOVERNOR.

(Sent 8.45 p.m., 16th July, 1919.)

TELEGRAM.

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

FOLLOWING Army Order is being published, British War Medal:— [Here follows the text of Army Order V. of 16th July, 1919.]—MILNER.

* No. 137.

† No. 125.

‡ No. 137.

42169

No. 144.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 8.45 p.m., 16th July, 1919.)

TELEGRAM.

[Answered by Nos. 145 and 148.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

REFERRING to my telegram,* medals; it will be seen that Order does not provide for officers and men who remained at home, as contemplated in my telegram of 8th March.† On further consideration His Majesty's Government have modified their view, and it seemed better, at least in first place, to restrict issue.

Further communication will be made explaining and inviting concurrence of Ministers.—MILNER.

44758

No. 145.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 1 a.m., 1st August, 1919.)

TELEGRAM.

[Answered by No. 153.]

31ST JULY. Your telegram 16th July.‡ British War Medal. Minister of Militia hopes that issue of this medal will not be withheld altogether from those who, retained on duty in Canada, had no opportunity of serving overseas. Such limitation would, in his opinion, cause great deal of disappointment in this country.—DEVONSHIRE.

42674

No. 146.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

[Answered by Nos. 148 and 149.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

Dominions No. 649.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 13th August, 1919.

WITH reference to my telegrams of the 16th of July,§ I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copies of a memorandum on the subject of war medals.

2. This memorandum supersedes that already sent to you, and embodies the arrangements as regards the British War Medal announced in the recent Army Order,|| of which copies are also enclosed.

3. The question of the Mercantile Marine Medal is dealt with in separate correspondence.

I have, &c.,
MILNER.

* No. 143. † No. 125. ‡ No. 144. § Nos. 143 and 144. || Army Order V., of 16th July, 1919; not printed.

543

Enclosure in No. 146.

(Confidential.)

WAR MEDALS.

(Memorandum dated 15th July 1919.)

[Except for the following modification the memorandum is in similar terms to the one enclosed in No. 135.]

"Allies" Medal is now "Victory" Medal.

The part relating to the War Hospital Services Medal is omitted, and also the reference to it in the part "Precedence of Medals."

The British War Medal.

This medal in silver will be granted to the following classes who either entered a theatre of war on duty or who left their places of residence and rendered approved service overseas, other than the waters dividing the different parts of the United Kingdom, between 5th August, 1914, and 11th November, 1918, both dates inclusive:—

- (a) Officers, warrant officers, attested non-commissioned officers and men of the British, Dominion, Colonial, and Indian Military Forces.
- (b) Members of women formations who have been enrolled under a direct contract of service for service with His Majesty's Imperial Forces.
- (c) All who served on staffs of Military Hospitals and all members of recognized organizations who actually handled sick and wounded.
- (d) Members of duly recognized or authorized organizations.
- (e) Enrolled and attested followers on the establishment of units of the Indian Army.

The medal in bronze will be granted to all British subjects who were enrolled in native labour corps units and who served in theatres of war.

50896

No. 147.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

Dominions No. 756.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 22nd September, 1919.

WITH reference to my despatch Dominions No. 649, of the 13th of August,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of an Army Order of the 30th of August, 1919,† regarding the grant of the "Victory Medal."

I have, &c.,
MILNER.

62773

No. 148.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5.0 p.m., 1st November, 1919.)

TELEGRAM.

[Answered by No. 153.]

31ST OCTOBER. In minute which I am sending by mail Ministers express grave concern at arrangements for war medals set out in enclosure to your despatch 13th August, Dominions No. 649,* which appears to exclude from any war medals

* No. 146. † Army Order 301.

considerable number of members of Union Defence Forces held to service at defended posts and other stations in Union on garrison and other duties, and not permitted to volunteer for service overseas. Proposal in your telegram 8th March,* that every gazetted officer and attested man should receive British War Medal was concurred in by Ministers: see my telegram 28th May.† Your telegram 16th July,‡ intimated that His Majesty's Government had modified their views on that point, but said that further communication would be made explaining and inviting concurrence of Ministers. That further communication has not been received. Ministers agree that Victory Medal should be confined to service in theatre of war, but find themselves at a loss in understanding or being able to agree to restriction in issue of British War Medals which has effect of altering whole basis of original arrangements to which they agreed. They feel assured His Majesty's Government would be ready suggest some alteration in condition of British War Medal, which would remove general and well-grounded sense of injustice and dissatisfaction among officers, men, and nursing staff held to service in South Africa—BUXTON.

67238

No. 149.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 24th November, 1919.)

(Confidential (2)).

MY LORD, Governor-General's Office, Pretoria, 31st October, 1919.

I HAVE the honour to transmit to you herewith, with reference to Your Lordship's despatch, Dominions No. 649, of the 13th August, 1919,§ copy of a minute, Confidential, No. 1565, from Ministers, dated 29th October, 1919, on the subject of the distribution of the British War Medal.

I have, &c.,
BUXTON,
Governor-General.

Enclosure in No. 149.

MINUTE 1565.

(Confidential.)

Prime Minister's Office, Pretoria,
29th October, 1919.

MINISTERS have the honour to inform His Excellency the Governor-General that they regard with grave concern the arrangements about war medals which are set forth in the printed Confidential memorandum headed War Medals, and dated 15th July, 1919, which was forwarded under cover of His Excellency's minute No 9/235/3, of 13th September, 1919.

2. Those arrangements appear to exclude from any war medal a considerable number of officers and men of the Union Defence Forces who have been held to service in the Union at defended ports and at other stations in the Union on garrison duty and other service directly connected with the War. Many of these were necessarily held to service in the Union, and were not permitted to volunteer for service overseas or in East and Central Africa owing to their services in the Union being considered indispensable for carrying on the garrison duties whereby Imperial troops were released, or the duties in recruiting, training, etc., the South African Imperial Service contingents.

3. Ministers desire to point out that, in their minute No. 818, of 26th May, 1919, they expressed concurrence in the proposals contained in the Secretary of State's telegram of 8th March, 1919, the first of which was that "every gazetted officer and attested man in the Navy, Army, and Air Force to receive British War Medal."

* No. 125.

† No. 142.

‡ No. 144.

§ No. 146.

544

4. Under cover of His Excellency's minute No. 9/235/3, of 6th June, 1919, a printed memorandum on War Medals was transmitted to Ministers, with the Secretary of State's despatch Dominions No. 326, of 30th April, 1919. In that memorandum, under the heading "The British Medal," it was stated: "Not only in the British Isles, but also in the Dominions, men had been employed on important and necessary military duties. . . . It was therefore proposed that every gazetted officer and every attested man should receive the British Medal, no matter where he had served."

5. Subsequently, under cover of His Excellency's minute No. 9/235/3, of 18th July, 1919, Ministers learnt from the Secretary of State's telegram of 16th July, 1919, that an Army Order regulating the issue of the British War Medal has been issued, but did not provide for officers and men who remained at home. That telegram intimated that His Majesty's Government had modified their view and thought it better in the first instance to restrict issue, but that a further communication would be made explaining the position and inviting the concurrence of Ministers.

6. Ministers, however, have received no such explanation, nor has their concurrence been invited in any alteration of the original proposals to which they had agreed. Another printed memorandum on War Medals, dated 15th July, 1919, was transmitted to them by His Excellency's minute No. 9/235/3, of the 13th September, 1919, covering the Secretary of State's despatch Dominions No. 649, of 13th August, 1919, which merely states that "this memorandum supersedes that already sent you, and embodies the arrangements as regards the British War Medal announced in the recent Army Order, of which copies are also enclosed." The Army Order is dated 16th July, 1919. The memorandum itself contains no sort of explanation or indication of the reasons why this most material change has been made. It repeats word for word the statement in the first memorandum about the Victory Medal, but contains an additional clause at the end as to the Victory Medal obviating an interchange of medals between the associated Powers. Under the heading British War Medal, the memorandum merely gives the second and third paragraphs of the Army Order of 16th July, 1919.

7. Ministers are quite in accord with the principles and proposals set forth in the memorandum so far as concerns the Victory Medal, and think that this is rightly confined to service in a theatre of war, but they find themselves entirely at a loss in understanding, and being able to agree to, the restriction in the issue of the British War Medal, which has the effect of altering the whole basis of the original arrangement to which they had agreed.

Ministers may possibly be labouring under some misunderstanding which His Majesty's Government will be able to explain, but in any case they feel assured that His Majesty's Government will be ready to suggest such alterations in the conditions of the British War Medal as will remove the general sense of injustice and dissatisfaction among officers, men, and nursing staffs held to service in South Africa which Ministers find is general and consider to be well grounded.

J. C. SMUTS.

71419

No. 150.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.	} Dominions No. 888.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE,] [MY LORD,] [SIR.] Downing Street, 29th December, 1919.

WITH reference to Lord Milner's despatches Dominions No. 649, of the 13th of August, and Dominions No. 756, of the 22nd of September,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of Admiralty Fleet Orders† regarding the award of the British War Medal and the Victory Medal.

I have, &c.,
(For the Secretary of State).
L. S. AMERY.

* Nos. 146 and 147.

† Fleet Orders Nos. 3973 and 3974.

261

No. 151.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7th January, 1920.)

[Answered by No. 155.]

(No. 934.)

SIR,

Government House, Ottawa, 29th December, 1919.

My attention has been invited to Army Order 8 of 1918 which, as amended by Army Order 179 of 1919, reads:—

"It has been decided that officers or soldiers not definitely appointed for duty on the establishment of a unit serving overseas are not, by virtue of a visit to any theatre of operations for a temporary purpose, to become eligible for war medals unless specially authorized by the Army Council."

My Government request that His Majesty's Government arrange that the Army Council delegate to the Minister of Militia-in-Council the power to authorize the issue of war medals in special cases to officers and soldiers of the Canadian Forces who otherwise might not be eligible for them under the terms of Army Order 8.

The Department would also be glad to know what considerations are likely to be taken into account when, in special cases, the Army Council exercise the power conferred on them by Army Order 179.

I have, &c.,
DEVONSHIRE

5529

No. 152.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 5.40 p.m., 10th February, 1920.)

TELEGRAM.

[Answered by Nos. 154, 158, and 160.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

My telegram 16th July,* British War Medal. Having given further consideration to cases of officers and soldiers of forces of Dominions who did not proceed overseas, His Majesty's Government, while still unwilling that grant of medal should be extended to cases in this country, have no objection to Dominion Governments extending grant to such officers and attested soldiers and members of duly recognized and authorized nursing associations who actually handled sick and wounded. Should be glad to learn additional number of medals required by your Government for this purpose.—SECRETARY OF STATE FOR THE COLONIES.

5529

No. 153.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 5.40 p.m., 10th February, 1920.)

TELEGRAM.

(Canada.)

(Union of South Africa.)

Your telegram [31st July,†] [31st October,‡] British War Medal. See my telegram§ of to-day.—SECRETARY OF STATE FOR THE COLONIES.

* No. 144. † No. 145. ‡ No. 148. § No. 152.

11179

No. 154.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.43 p.m., 1st March, 1920.)

TELEGRAM.

[Answered by No. 156.]

1ST MARCH. Your telegram 10th February,* British War Medals. My Government suggested commemorative war medals for those employed in military capacity in Dominions and other localities outside defined theatres of war. Proposed extension of British war medals to persons in New Zealand will have effect of making medal valueless in the eyes of returned soldiers, and will be bitterly resented by them. Strongly recommend issue of commemorative war medal and, if this is impossible, cannot approve of your suggestion as far as New Zealand is concerned.—LIVERPOOL.

18876

No. 155.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 2.30 p.m., 17th April, 1920.)

TELEGRAM.

[Answered by No. 157.]

Your despatch 29th December, No. 934,† War medals. Owing to number of special cases arising from all parts, Empire Army Council consider it necessary that decisions regarding them should be co-ordinated under one central authority. In these circumstances it is hoped that Canadian Government will not press request.—MILNER.

18190

No. 156.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.15 p.m., 1st May, 1920.)

TELEGRAM.

Your telegram 1st March,‡ British war medals. It was decided to confine issue of this medal to those who served overseas, and not to award it to those retained for service in British Isles, but solely on account of strong representations made by Governments of Canada, Australia, South Africa. Army Council agreed to grant being extended on responsibility of each Dominion. Extension of award is matter for each Dominion Government to decide. No final decision has been reached regarding proposal to institute General Service Medal for persons who rendered valuable service of military or quasi-military character at home, but as it will take some years to issue War Medal to fighting troops, which must claim priority, institution of new commemorative medal for non-combatant services at home is not urgent.—MILNER.

* No. 152. † No. 151. ‡ No. 154.

23891

No. 157.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.20 p.m., 13th May, 1920.)

TELEGRAM.

13TH MAY. Your telegram 17th April,* War medals. Minister of Militia agrees that decisions should be co-ordinated under one central authority, and that request in my despatch 29th December, 1919, No. 934,† may be withdrawn. Special cases which arise will be submitted to arbitrament of War Office.—DEVONSHIRE.

31203

No. 158.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 25th June, 1920.)

(No. 106.)

MY LORD, Government House, St. John's, 16th June, 1920.

I HAVE the honour to acknowledge the receipt of your telegram of the 10th February last,‡ and to inform you that Ministers do not recommend the issue of the British War Medal to officers and other ranks of the Newfoundland Forces who did not proceed overseas.

No additional medals will therefore be required.

I have, &c.,
C. ALEXANDER HARRIS.

84449

No. 159.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 318.)

[My Lord,] [Sir,]

Downing Street, 5th August, 1920.

WITH reference to previous correspondence on the subject of the grant of the British War Medal, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, an extract from Admiralty Weekly Orders of the 7th of July, containing an Order, No. 2051,§ regulating the award of naval clasps to the medal.

I have, &c.,
MILNER.

49863

No. 160.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.36 p.m., 7th October, 1920.)

TELEGRAM.

7TH OCTOBER. Your telegram 10th February,‡ British War Medals. Numbers on requisition at the present time considered to be sufficient for requirements, and no additional medals will be required.—GOVERNOR-GENERAL.

* No. 155. † No. 151. ‡ No. 152. § Not reprinted.

NAVAL.

546

CHANNELS OF COMMUNICATION REGARDING NAVAL MATTERS.

68803

No. 161.

ADMIRALTY OFFICE MEMORANDUM.

(8th November, 1919.)

THE following procedure is to be observed as regards correspondence relating to naval matters in the Dominions:—

(1) General questions of policy and large administrative questions will be dealt with by correspondence through the Governor-General and Secretary of State for the Colonies.

(2) Correspondence on routine subjects, such as contract arrangements as to ships, supply of stores,* engagement of men, business matters involving payments and receipts, and other matters of detail, will be dealt with through the respective High Commissioners.

(3) The following arrangements have been made as regards interchange of intelligence, confidential books, etc.:—

Canada: Direct with the Director of Naval Service, Ottawa.

Commonwealth of Australia: Interchange of intelligence: Through the Naval Representative on the staff of the High Commissioner. Supply of confidential books and printed matter: Direct with the Naval Secretary, Melbourne.

New Zealand: Direct with the Naval Intelligence Officer, Wellington.

(4) Letters as to the loan of individual officers' services are to be addressed to the Colonial Office, in order that the Secretary of State may inform the Governor-General, a copy of the letter to the Colonial Office being sent to the High Commissioner for information and any necessary action.

(5) In the case of the Dominion of Canada and the Commonwealth of Australia, matters of advice and administrative details which are settled in Canada or Australia may be dealt with by direct correspondence between the Admiralty and—

(a) the Minister of Naval Service or Director of Naval Service, Ottawa.

(b) the Naval Secretary, Navy Office, Melbourne.

(6) The Senior Naval Officer, New Zealand, is to be kept informed of the more important correspondence with the New Zealand authorities.

(7) In order to secure a complete record in official correspondence any terms and conditions which have been discussed and agreed upon in intermediate correspondence that may be semi-official are to be embodied in an official letter before final action is taken.

(8) It is of great importance that the rule should be carefully observed that general questions of policy and large administrative questions must be dealt with through the Secretary of State for the Colonies and the Governor-General, otherwise there is danger that the Governor-General may not be kept fully informed of matters of which he should be aware.

Should a case occur in which a correspondence on a question of policy is opened by the High Commissioner, or in which a correspondence on matters of detail develops so as to involve questions of policy, the Admiralty reply should be sent to the High Commissioner through the Colonial Office.

In any case of doubt as to the correct procedure to be followed, the Secretary or Assistant Secretary should be consulted.

(9) In communicating with the High Commissioners letters should be addressed in the following manner:—

Commonwealth of Australia: The Official Secretary, Office of the Commonwealth of Australia, Australia House, Strand, W.C.2.

Dominion of Canada: The Secretary, Office of the High Commissioner for Canada, 19, Victoria Street, S.W.1.

* NOTE.—In the case of Australia routine correspondence with regard to the supply of naval, victualling, ordnance, and medical stores may be carried on directly between the head of the Admiralty Store Department and the Official Secretary to the High Commissioner.

Dominion of New Zealand: The Secretary, Office of the High Commissioner for New Zealand, 413-416, Strand, W.C.2.
 Union of South Africa: The Secretary, Office of the High Commissioner for South Africa, 32, Victoria Street, S.W.1.

J. W. S. ANDERSON.

5th November, 1919.

DOMINION NAVAL STATIONS.

40388

No. 162.

CANADA: COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

[Answered by Nos. 163 and 164.]

(Canada. No. 333.)

(Commonwealth of Australia. No. 288.)

[MY LORD DUKE,] [SIR,]

Downing Street, 30th July, 1919.

WITH reference to Mr. (now Viscount) Harcourt's despatch No. [573] [291] of the 14th of July, 1911,* regarding the status of Dominion Navies, I have the honour to request Your Excellency to inform your Ministers that the Lords Commissioners of the Admiralty have recently had under consideration the rearrangement of naval stations abroad, including an alteration in the limits of the Australian naval station. A statement is enclosed setting out the limits now proposed.

2. It will be observed that under this rearrangement the Australian station, as well as the Canadian, Atlantic, and Pacific stations, will now include territory belonging to foreign Powers, and in this connexion the Lords Commissioners of the Admiralty have suggested that the alterations indicated below (by underlining [*italics*]), should be made in paragraphs 6, 7, and 8 of the Memorandum of Conferences between the British Admiralty and Representatives of the Dominions of Canada and Australia (subsequently published as Cd. 5746-2), copies of which were forwarded in the despatch under reference.

"6. In the event of the Canadian or Australian Government desiring to send ships to a foreign port *outside of their own respective stations*, they will obtain the concurrence of the Imperial Government, in order that the necessary arrangements with the Foreign Office may be made, as in the case of ships of the British Fleet, in such time and manner as is usual between the British Admiralty and the Foreign Office.

"7. While the ships of the Dominions are at a foreign port *outside of their own respective stations*, a report of their proceedings will be forwarded by the officer in command to the Commander-in-Chief on the station or to the British Admiralty. The officer in command of a Dominion ship, so long as he remains in *such* foreign port, will obey any instructions he may receive from the Government of the United Kingdom as to the conduct of any international matters that may arise, the Dominion Government being informed.

"8. The Commanding Officer of a Dominion ship having to put into a foreign port *outside the limits of his own station*, without previous arrangement, on account of stress of weather, damage, or any unforeseen emergency, will report his arrival and reason for calling to the Commander-in-Chief of the station or to the Admiralty, and will obey, so long as he remains in the foreign port, any instructions he may receive from the Government of the United Kingdom as to his relations with the authorities, the Dominion Government being informed."

3. I should be glad to learn in due course whether your Ministers concur in the proposals of the Lords Commissioners of the Admiralty.

4. A similar despatch has been addressed to the [Governor-General of the Commonwealth of Australia.] [Governor-General of Canada.]

I have, &c.,

MILNER.

* No. 7 in Dominions No. 46.

Enclosure in No. 162.

LIMITS OF THE AUSTRALIA STATION.

North.—From a point in 95° E. longitude and 13° S. latitude, along that parallel to the eastward to the meridian of 120° E. longitude, thence along that meridian to the northward to 11° S. latitude, thence to an easterly direction to the southern termination of the eastern boundary of Dutch New Guinea in about 141° E. longitude, thence along the meridian of the boundary to the northward to the Equator, thence along the Equator to the eastward to 170° E. longitude.

East.—From a point on the Equator on the meridian of 170° E. longitude, along that meridian to the southward to 32° S. latitude, thence along that parallel to the westward to the meridian of 160° E. longitude, thence along that meridian to the South Pole.

South.—The South Pole.

West.—From the South Pole by the meridian of 80° E. longitude to the northward to 30° S. latitude, thence along that parallel to the eastward to the meridian of 95° E. longitude, thence along that meridian to the northward to 13° S. latitude.

54729

No. 163.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 22nd September, 1919.)

[Answered by No. 165.]

(No. 681.)

MY LORD,

Government House, Ottawa, 8th September, 1919.

WITH reference to Your Lordship's despatch No. 333, of the 30th July, 1919,* regarding alterations in paragraphs 6, 7, and 8 in the Memorandum of Conferences between the Lords Commissioners of the Admiralty and representatives of the Dominions of Canada and Australia, I have the honour to inform you that the Minister of the Naval Service has no objection to the proposed changes.

I have, &c.,

DEVONSHIRE.

70269

No. 164.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 11th December, 1919.)

[Answered by No. 165.]

(No. 341.)

MY LORD,

Governor-General's Office, Melbourne,

30th October, 1919.

REFERRING to your despatch dated 30th July, 1919, No. 288,* regarding the status of Dominion Navies, I have the honour, at the instance of my Prime Minister, to inform Your Lordship that the Commonwealth Government concurs in the proposals which have been submitted by the Lords Commissioners of the Admiralty.

I have, &c.,

R. M. FERGUSON,
 Governor-General.

* No. 162.

708

No. 165.

CANADA: COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 6.18 p.m., 6th January, 1920.)

TELEGRAM.

[To Canada: With reference to your despatch of the 8th September, No. 681*] [To Commonwealth of Australia: With reference to your despatch of the 30th October, No. 341,†] instructions being issued for the new limits Australian naval station to take effect from 1st January, 1920.—SECRETARY OF STATE FOR THE COLONIES.

INTELLIGENCE ORGANIZATION AND ATTACHMENT OF OFFICERS OF DOMINION NAVIES TO NAVAL STAFF.

61916

No. 166.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 168.]

(No. 428.)

SIR,

Downing Street, 26th November, 1919.

I HAVE the honour to request Your Excellency to inform your Ministers that as a result of proposals made by the Naval Representative in London of the Commonwealth of Australia, in May, 1919, it was arranged by the Lords Commissioners of the Admiralty that a liaison should be established between the Naval Intelligence Division of the Naval Staff at the Admiralty and the Commonwealth Naval Representative. It was also arranged that the monthly Intelligence Reports of the Intelligence Division should be exchanged for information collected by the Commonwealth Government.

2. The Lords Commissioners of the Admiralty consider, however, that this arrangement is only the first step towards ensuring full co-operation on intelligence matters between the Admiralty and the Commonwealth Government, and they suggest that the assistant to the Commonwealth Naval Representative in London, or other officer selected by the Commonwealth Government, should attend the Naval Intelligence School for a course of instruction, so that he may thoroughly understand the intelligence organization and work, and then act in the closest liaison with the Naval Intelligence Division of the Naval Staff.

3. The Lords Commissioners further state that, with a view to completing arrangements for the exchange of information with the Commonwealth Government and systematizing the intelligence organizations, they are prepared to consider the question of lending to the Commonwealth Naval Board a qualified Senior Intelligence Officer from the Imperial Service, who would be paid from Imperial funds.

4. I shall be glad to learn the views of your Ministers on the above proposals for communication to the Lords Commissioners of the Admiralty.

I have &c.,

MILNER.

* No. 169.

† No. 164.

61915

No. 167.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 170.]

(No. 573.)

MY LORD DUKE,

Downing Street, 26th November, 1919.

I have the honour to transmit to Your Excellency, to be laid before your Ministers, a copy of a despatch* to the Governor-General of the Commonwealth of Australia as to the co-ordination of Naval Intelligence work.

2. The Lords Commissioners of the Admiralty would be glad to make arrangements similar to those outlined in this despatch in regard to the co-ordination of intelligence work between the Royal Navy and the Royal Canadian Navy, and I shall accordingly be glad to be furnished with an expression of your Ministers' views on the subject.†

I have, etc.,

MILNER.

9940

No. 168.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.41 a.m., 24th February, 1920.)

TELEGRAM.

[Answered by No. 175.]

24TH FEBRUARY. Your despatch 26th November, No. 428,* Government of Commonwealth of Australia gladly accept loan of qualified senior Intelligence Officer to be paid Imperial funds. With regard to paragraph No. 2, Government of Commonwealth of Australia proposes to send an officer from Australia to attend Naval Intelligence School, and then act as liaison officer, and nominates Captain Walter Thring. Admiralty concurrence desired.—FERGUSON.

11918

No. 169.

ADMIRALTY to COLONIAL OFFICE.

(Received 5th March, 1920.)

SIR,

Admiralty, 4th March, 1920.

I AM commanded by My Lords Commissioners of the Admiralty to request that you will inform the Secretary of State for the Colonies that they are desirous of affording representation to the Naval Forces of the Dominions and of India on the Naval Staff at the Admiralty.

2. The precise form which the organization of those Naval Forces will take in future is at present a matter of uncertainty. The recommendations of Admiral of the Fleet Viscount Jellicoe have still to be considered, and it is recognized that some time must elapse before a fully-thought-out and co-ordinated plan can be followed. But whatever the details of the plan may be, it is abundantly clear that provision must be made on the one hand for local interests and local effort, and on the other, for complete mutual understanding, co-operation, and unity of strategical thought.

* No. 166.

† Note.—It was subsequently arranged, in connexion with the reorganization of the Canadian Intelligence Service, that a Senior Intelligence Officer (Commander W. H. Fves) should be loaned by the Admiralty to the Canadian Government and paid from Canadian funds. (See Gov. 156901/20, Canada.)

548

3. To this end it is necessary to make the Naval Staff as early as possible a vehicle for the consideration in common of the naval aspects of Imperial policy, and the most practical and urgently necessary steps to be taken are (a) the training of Naval Officers from the Dominions and India in Staff work and (b) the attachment to the Naval Staff at the Admiralty of officers from the Dominions and India, so far as suitable officers are already available.

4. The object of the first step is to provide a gradually increasing body of Dominion officers qualified for Staff appointments, both in their squadrons and headquarters and at the Admiralty, and by associating United Kingdom and Dominion officers in their earliest training and study in Staff work, to give them a common outlook and ensure their sympathetic co-operation.

The second step, viz., the attachment of Dominion officers to the Naval Staff, is designed to ensure that the views of the Dominions are represented in full detail when the problems of Imperial Naval Defence are under discussion by the Admiralty. Some of these problems are urgent and cannot wait the evolution of a homogeneous staff.

5. These proposals will, no doubt, in the first instance present difficulty to the Governments of India and of some of the Dominions. So far as My Lords are aware, it is only to Canada and Australia that an invitation to nominate such officers could profitably be addressed at the present time. They would wish, however, the invitation to be made known to all the Dominions and to India, as it is most desirable that all should have in view the training, and the attachment to the Naval Staff, of suitable officers as soon as they become available.

6. It is therefore proposed, as a commencement, that the Dominion of Canada and the Commonwealth of Australia should each be invited to nominate one or two officers to join the next course for Staff officers which commences at the Naval Staff College, Greenwich, in September next. The officers nominated should be of Commander's rank, or below. Further, it is desired that one officer from each of these two Dominions should be attached to the Naval Staff as early as practicable. These latter officers would be familiarized with Admiralty procedure and plans for future naval development, and would be consulted as to the functions of their own forces in the general strategical plan. They would be responsible to their own Chiefs of Staff, and would in the first instance be in the nature of liaison officers; but it is hoped that later they, or their successors, and other Dominion officers hereafter appointed, will take their place as an integral portion of the Naval Staff. These officers should also, for the present, be of Commander's rank, or below.

7. Both the officers appointed to the Staff Course, and those attached to the Naval Staff, would receive their pay and allowances from their respective services. The duration of the Staff Course is about twelve months. The period of an officer's attachment to the Naval Staff would be during the pleasure of his own Government, subject to any representations which the Admiralty may, from time to time, make with the object of adjusting the work of the Naval Staff in the most effective way.

8. I am to request that these proposals may be made known to the Governments of all the Dominions, and that the purport of them may be telegraphed to the Governments of Canada and Australia in order that there may be no avoidable delay in inaugurating the new scheme.

9. A similar letter has been addressed to the India Office.

I am, &c.,

O. MURRAY.

12924

No. 170.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.10 p.m., 9th March, 1920.)

TELEGRAM.

9TH MARCH. Your despatch 26th November, No. 573.* Department of Naval Service concurs generally in proposals made to Commonwealth of Australia by Lords Commissioners of the Admiralty. It is accordingly desired that an officer

* No. 167.

may attend Admiralty Naval Intelligence School for course of instruction, and Department of Naval Service has selected Lieutenant Percy Nelles, R.C.N., for this purpose. With regard to proposals that qualified senior Intelligence Officer should be lent from Imperial Service, it is desired to postpone taking immediate action in the matter pending outcome of proposals made by Lord Jellicoe.—DEVONSHIRE.

11918

No. 171.

CANADA: COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 5.30 p.m., 15th March, 1920.)

TELEGRAM.

[Answered by Nos. 176, 177, and 179.]

15TH MARCH. Admiralty anxious to arrange for representation of Naval Forces of Dominions on Naval Staff at Admiralty with a view to creating machinery as early as possible which will facilitate consideration in common of naval aspects of Imperial policy.

Admiralty think that first practical steps are:—

(a) Training of naval officers from Dominions in staff work;

(b) Attachment to Naval Staff of officers from Dominions.

Admiralty accordingly propose that one or two officers of Commander's rank, or below, should be nominated by Government of Dominion of Canada and Government of Commonwealth to join next course for Staff Officers, which commences at Greenwich next September. They also suggest that one officer from Canada, and one from Australia, of Commander's rank, or below, should be attached to Naval Staff as early as practicable, so that these officers may become familiarized with Admiralty procedure and plans for future naval development. Such officers would be responsible to their own Chiefs of Staff.

Admiralty suggest that both officers appointed to Staff course, and those attached to Naval Staff, should receive their pay and allowances from their respective services. Duration of Staff course about twelve months. Period of attachment to Naval Staff would be during your Government's pleasure, subject to any representations which Admiralty might make with object of adjusting work of Naval Staff in most effective way. Please telegraph views of your Government. Despatch follows by mail.—SECRETARY OF STATE FOR THE COLONIES.

11918

No. 172.

CANADA: COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 5.40 p.m., 15th March, 1920.)

TELEGRAM.

REFERRING to my telegram of 15th March,* Naval Staff. Similar telegram sent to [Governor-General, Australia.] [Governor-General, Canada.] Your Ministers may wish to refer to my despatch of 26th November† and your telegram of [9th March.‡] [24th February.§]—SECRETARY OF STATE FOR THE COLONIES.

* No. 171.

† Nos. 164 and 167.

‡ No. 170.

§ No. 168.

11918

No. 173.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

[Answered by No. 183.]

(Canada. No. 167.)

(Commonwealth of Australia. No. 109.)

[MY LORD DUKE,] [SIR,]

Downing Street, 16th March, 1920.

WITH reference to my telegram of the 15th March,* I have the honour to transmit to Your Excellency, for the consideration of your Ministers, a copy of a letter from the Admiralty† regarding the representation of the Naval Forces of the Dominions on the Naval Staff at the Admiralty.

I have, &c.,

(for the Secretary of State)

L. S. AMERY.

11918

No. 174.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(New Zealand. No. 59.)

(Union of South Africa. No. 119.)

(Newfoundland. No. 24.)

[MY LORD,] [SIR,]

Downing Street, 16th March, 1920.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, a copy of a telegram* and a despatch† to the Governor-General of Canada and the Governor-General of the Commonwealth of Australia regarding the representation of the Naval Forces of the Dominions on the Naval Staff at the Admiralty.

I have, &c.,

(for the Secretary of State)

L. S. AMERY.

13405

No. 175.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 3.15 p.m., 20th March, 1920.)

TELEGRAM.

20TH MARCH. Your telegram of 24th February,§ Thring. Admiralty conf.—SECRETARY OF STATE FOR THE COLONIES.

17727

No. 176.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2.35 p.m., 7th April, 1920.)

TELEGRAM.

[Answered by No. 181.]

7TH APRIL. Your telegram 15th March.* Thring left Melbourne, for England, 27th February, by Bremen, to take up duties as Liaison Officer at Admiralty. Should be glad to receive information as to date when Intelligence Officer will be sent to Australia by Admiralty; see paragraph 3 your despatch 26th November last year.||—MUNRO FERGUSON.

* No. 171. † No. 109. ‡ No. 173. § No. 168. || No. 160.

18107

No. 177.

CANADA.

THE ADMINISTRATOR TO THE SECRETARY OF STATE.

(Received 4.30 a.m., 9th April, 1920.)

TELEGRAM.

8TH APRIL. Your telegram 16th [15th] March,* representation of Naval Forces of Dominions on Naval Staff at Admiralty. Proposal of Admiralty meets with concurrence of Government of Canada, but at the present time there are no officers of Royal Canadian Navy considered to be sufficiently senior for appointment either for training in staff work or for attachment to Naval Staff at Admiralty.—ADMINISTRATOR.

18107

No. 178.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR

(Commonwealth of Australia. No. 150.)

(New Zealand. No. 72.)

(Union of South Africa. No. 166.)

(Newfoundland. No. 33.)

[MY LORD,] [SIR,]

Downing Street, 14th April, 1920.

WITH reference to my despatch [No. 109] [No. 50] [No. 119] [No. 24] of the 16th of March,† regarding the representation of the Naval Forces of the Dominions on the Naval Staff at the Admiralty, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copy of a telegram‡ from the Officer Administering the Government of Canada.

I have, &c.,

MILNER.

20664

No. 179.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 7.10 p.m., 22nd April, 1920.)

TELEGRAM.

22ND APRIL. Your telegram 15th March.* Naval Board has selected Lieutenant Cyril E. Lowther, Royal Australian Navy, for Staff Officers' course commencing Greenwich, September this year. Passage to England will be arranged shortly. Please inform Admiralty.—MUNRO FERGUSON.

Note.—Subsequently it was found that Lieutenant Lowther could not be spared, and his passage was cancelled.

* No. 171. † Nos. 173 and 174. ‡ No. 177.

20664

No. 180.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada. No. 259.)
(New Zealand. No. 85.)
(Union of South Africa. No. 188.)
(Newfoundland. No. 39.)

[MY LORD,] [SIR,]

Downing Street, 30th April, 1920.

WITH reference to my despatch [No. 167 of the 16th of March,*] [[No. 72,]
[No. 166,] [No. 33,] of the 14th of April,†] regarding the representation of the
Naval Forces of the Dominions on the Naval Staff at the Admiralty, I have the honour
to transmit to [Your Excellency,] [you,] for the information of your Ministers, a
copy of a telegram‡ from the Governor-General of the Commonwealth of Australia.

I have, &c.,

MILNER.

24249

No. 181.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 2.50 p.m., 18th May, 1920.)

TELEGRAM.

[Answered by No. 182.]

YOUR telegram 7th April;§ Naval Intelligence. Proposal not yet definitely
sanctioned.—MILNER.

34368

No. 182.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 4.53 p.m., 13th July, 1920.)

TELEGRAM.

[Answered by Nos. 185 and 186.]

12TH JULY. My telegram 7th April;§ your telegram 18th May;|| would be
glad to learn when Admiralty Intelligence Officer may be expected in Australia.—
MUNRO FERGUSON.

35821

No. 183.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 21st July, 1920.)

[Answered by No. 184.]

(No. 170.)

MY LORD,

Governor-General's Office, Melbourne, 10th June, 1920.

REFERRING to your despatch of the 16th March, No. 109,* covering copy of
a letter from the Admiralty regarding the representation of the Naval Forces of

* No. 173. † No. 178. ‡ No. 179. § No. 176. || No. 181.

the Dominions on the Naval Staff at the Admiralty, I have the honour, at the
instance of my Prime Minister, to inform Your Lordship, in connexion with para-
graph 6 of the enclosure, that Lieutenant Cyril E. Lowther has been selected to
join the next course for Staff Officers at the Naval Staff College, Greenwich, com-
mencing in September next, and will leave Australia about the middle of July.*

With regard to the desire that an officer from Australia should be attached
to the Naval Staff, the Commonwealth Government wishes that Captain
W. H. C. S. Thring, who has already taken up duty as Liaison Officer to the
Admiralty, should, for the time being, undertake this duty, although he does not
comply with the condition that the officer selected should for the present be of
Commander's rank or below.

I have, &c.,

R. M. FERGUSON.

Governor-General.

41148

No. 184.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 341.)

SIR,

Downing Street, 25th August, 1920.

WITH reference to Your Excellency's despatch, No. 170, of the 10th June,†
on the subject of the representation of the Naval Forces of the Dominions on the
Naval Staff at the Admiralty, I have the honour to request you to inform your
Ministers that the Lords Commissioners of the Admiralty concur in the proposal
that Captain W. H. C. S. Thring should act as Commonwealth representative on
the Naval Staff, as well as Liaison Officer with the Naval Intelligence Division.

2. Captain Thring has taken up these duties accordingly.

I have, &c.,

MILNER.

42928

No. 185.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 2.40 p.m., 8th September, 1920.)

TELEGRAM.

8TH SEPTEMBER. Your telegram 12th July;‡ Admiralty Liaison Intelligence
Officer. It has been decided to appoint officer of rank of Commander, Royal Navy, or
equivalent rank. Further particulars will be sent when available.—MILNER.

54950

No. 186.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 11.32 a.m., 13th November, 1920.)

TELEGRAM.

My telegram 8th September.§ Major Francis Griffiths, R.M.L.I., appointed
Liaison Intelligence Officer, at Melbourne, for period of three years, from 4th
November. Date of sailing will be communicated later.—MILNER.

* See note to No. 179. † No. 183. ‡ No. 182. § No. 185.

LEGAL.

(a). Position of Officers and Men of Royal Navy serving in Dominion Navies.

15740

No. 187.

THE SECRETARY OF STATE to THE GOVERNORS GENERAL AND GOVERNOR.

(Sent 7.0 p.m. 1st April, 1920.)

TELEGRAM.

[Answered by Nos. 188, 189, 190, 191, and 192.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

1ST APRIL. Relations of Royal Navy and naval forces of Dominions. Doubts having arisen as to legal position of officers and men of Royal Navy who may be transferred or lent to, or find themselves serving in, Dominion vessels, His Majesty's Government propose to seek sanction of Parliament to Bill to following effect:—

Begins: "That any officer or man in or belonging to His Majesty's Navy, and who by order of Admiralty is serving in Navy of any self-governing Dominion or under orders of an officer of a self-governing Dominion shall be subject to the laws and customs for the time being in force of such self-governing Dominion." *Ends.*

Should be glad to know whether your Ministers concur.—MILNER.

18615

No. 188.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 12.20 a.m., 13th April, 1920.)

TELEGRAM.

12TH APRIL. Your telegram 1st April,* Royal Navy. My Ministers agree Bill should be introduced.—HARRIS.

19353

No. 189.

CANADA.

THE DEPUTY GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.55 a.m., 16th April, 1920.)

TELEGRAM.

15TH APRIL. Your telegram 1st April.* Government of Canada concur in proposed Bill dealing with legal position of officers and men of Royal Navy serving in Dominion Navies.

* No. 187.

19663

No. 190.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.25 a.m., 18th April, 1920.)

TELEGRAM.

16TH APRIL. Your telegram 1st April.* My Ministers have no objection to provisions of Bill regarding relations of Royal Navy and Naval Forces of Dominions. They point out that under provisions of South Africa Defence Act, 1913, officers and other ranks of the Royal Navy employed with South African division of the Royal Naval Reserve remain subject to the Naval Discipline Acts.—BUXTON.

19864

No. 191.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.42 a.m., 20th April, 1920.)

TELEGRAM.

[Answered by No. 194.]

20TH APRIL. Your telegram 1st April,* on subject of relations with Royal Navy and Naval Forces of the Dominions. My Ministers advise me they concur in suggestions contained therein. My Ministers, however, wish to point out that it is understood telegram refers principally to matters of discipline and service, and will not affect financial questions such as pensions or compensation to officers and men lent or taking passage in Dominion vessels who may be incapacitated during such service as the result of hurts or sickness.—LIVERPOOL.

20936

No. 192.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.5 p.m., 24th April, 1920.)

TELEGRAM.

[Answered by No. 193.]

24TH APRIL. Your telegram, 1st April,* relations with Royal Navy and Naval Forces of the Dominions. Would be glad to learn whether this Bill is intended to govern ships of the Imperial Navy attached temporarily to the Australian unit, and if this will be reciprocal as far as Australian ships are concerned when attached to an Imperial Fleet.—MUNRO FERGUSON.

29196

No. 193.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.5 p.m., 17th June, 1920.)

TELEGRAM.

[Answered by No. 195.]

17TH JUNE. Your telegram 24th April.† Relations with Royal Navy and Naval Forces of Dominions. First: Proposed Bill covers ships' companies of His

* No. 187.

† No. 192.

Majesty's ships or other Imperial Service officers or men who may be ordered by Admiralty to serve in Australian Navy or under orders of officers of Australian Navy. Secondly: Forces or ships of Australian Navy placed at disposal of Admiralty come already under Naval Discipline Act (Main Act) by virtue of section one of Naval Discipline (Dominion Naval Forces) Act, 1911. No further legislation regarding such forces therefore required.

Should be glad to know whether your Ministers concur in proposed Bill.—MILNER.

29196

No. 194.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.5 p.m., 17th June, 1920.)

TELEGRAM.

17TH JUNE. Your telegram 20th April.* Relations with Royal Navy and Naval Forces of Dominions. Bill will have no financial effect on pension or compensation questions.—MILNER.

35889

No. 195.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.8 p.m., 21st July, 1920.)

TELEGRAM.

[Answered by No. 196.]

21ST JULY. Confidential. Your telegram 17th June,† relations of Royal Navy and Naval Forces, Dominions. Government of Commonwealth of Australia recognizes under Naval Discipline (Dominion Naval Forces) Act, 1911, forces and ships of Royal Australian Navy come under statutes and regulations for Royal Navy when such forces and ships are placed at disposal of Admiralty under terms of section 42, Commonwealth Naval Defence Act, and assume proposed Bill will provide same condition with regard to Royal Navy and ships placed at disposal of Commonwealth. When forces or ships of one are temporarily attached, for example for combined manœuvres, assumed this condition would not apply, and that each force will in such circumstances remain under own regulations, and status of ship will determine for all officers and men on board which disciplinary code will apply. Subject above understanding Government of Commonwealth of Australia concurs in proposed Bill, but would prefer to have full text if practicable before deciding finally.—FERGUSON.

43547

No. 196.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.45 a.m., 4th September, 1920.)

TELEGRAM.

4TH SEPTEMBER. With reference to your telegram 21st July,‡ Naval Discipline Act amendment, Admiralty state that object is that individual officers and men of the Royal Navy serving in ships or establishments of Dominion navies shall be in same disciplinary position in these ships as though they belonged to Dominion Navy. It is not proposed to complicate Bill by any alteration in the present position with regard to ships of Dominion navies temporarily employed with ships of the Royal Navy or vice versa.—MILNER.

55997

No. 197.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 5.10 p.m., 29th November, 1920.)

TELEGRAM.

[Answered by Nos. 199, 200, and 201.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

29TH NOVEMBER. My telegram 1st April.* Following is text of Section 5, Bill to amend Naval Discipline Act which proposed to introduce in Parliament shortly. *Begins:*

(1) After Section 90A of Naval Discipline Act there shall be inserted the following new section:

90B (1) Any person in or belonging to His Majesty's Navy and any Officer or man of the Royal Marines who by order of the Admiralty or of the Commander-in-Chief or the Senior Naval Officer present on a foreign station, is serving in a ship of or belonging to the Naval Forces of a self-governing Dominion, provided such ship is not at the time placed at the disposal of the Admiralty, or in a Naval establishment of a self-governing Dominion, or who is on board such ship or in such establishment as aforesaid awaiting passage or conveyance to any destination shall for all purposes of command and discipline be subject to the laws and customs for the time being applicable to the ships and Naval Forces of such self-governing Dominion.

(2) For the purposes of this section, the expression "self-governing Dominion" includes Dominion of Canada, Commonwealth of Australia, Dominion of New Zealand, Union of South Africa and Newfoundland." *Ends.*

—MILNER.

55997

No. 198.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 5.10 p.m., 29th November, 1920.)

TELEGRAM.

[Answered by No. 199.]

29TH NOVEMBER. My telegram 4th September.† Bill amending Naval Discipline Act. Kindly telegraph whether Ministers concur in terms Section 5; see my telegram of to-day.‡—MILNER.

60474

No. 199.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.50 a.m., 10th December, 1920.)

TELEGRAM.

9TH DECEMBER. Your telegram 29th November§ re amendment Naval Discipline Act. My Ministers concur.—FORSTER.

61193

No. 200.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.0 a.m., 15th December, 1920.)

TELEGRAM.

14TH DECEMBER. Your telegram 29th November,* text of Section 5 of Bill to amend Naval Discipline Act. My Ministers represent that text of proposed Bill is concurred in by Minister of Naval Service.—DEVONSHIRE.

62467

No. 201.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 22nd December, 1920.)

(No. 222.)

MY LORD,

Government House, St. John's, 3rd December, 1920.

I HAVE the honour to acknowledge the receipt of your telegram of the 29th ultimo,* giving text of a new section to be inserted in the Bill to amend the Naval Discipline Act, and to inform you that my Ministers have no observations to make upon it.

I have, &c.,

C. ALEXANDER HARRIS.

(b). Status of Dominion Navies.

Note.—The following Acts on the subject of Naval Discipline, passed subsequently to the Naval Discipline (Dominion Naval Forces) Act, 1911 (see No. 39 in Dominions No. 46), were sent to the Dominions on the dates named.

Act.	Date sent.
5 Geo. V, ch. 30.	23rd April, 1915 (C.O. 18980/15).
5 and 6 Geo. V, ch. 73.	21st August, 1915 (C.O. 38799/15).
6 and 7 Geo. V, ch. 17.	14th June, 1916 (C.O. 26960/16).
7 Geo. V, ch. 11.	26th April, 1916 (C.O. 19551/17).
7 and 8 Geo. V, ch. 34.	29th September, 1917 (C.O. 41210/17).

(1) Canada.

67942

No. 202.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 204.]

(Confidential.)

MY LORD DUKE,

Downing Street, 7th December, 1917.

I HAVE the honour to inform Your Excellency that the Admiralty have received from the Director of the Naval Service of Canada a letter, of which a copy is enclosed, suggesting that Article 191A of the King's Regulations and Admiralty Instructions should be extended so as to include the Royal Canadian Navy.

* No. 197.

2. The Lords Commissioners of the Admiralty ask me to explain that Article 191A, which runs: "*Royal Australian Navy*.—Officers of the Royal Australian Navy shall rank and command with officers of the Royal Navy according to their rank and seniority in the Royal Australian Navy"—was inserted in the Regulations as a natural corollary to the Order in Council of the 9th February, 1914, whereby the commissions of officers of the Royal Navy and Royal Australian Navy are issued for service in "His Majesty's Fleet." A copy of this Order in Council was enclosed in Mr. (now Viscount) Harcourt's despatch, Confidential (2), of the 20th February, 1914.*

3. In order that effect may be given to the proposal of the Director of the Naval Service of Canada it would appear to be necessary that your Ministers should first make provision for the Naval Discipline (Dominion Naval Forces) Act, 1911, to come into operation in relation to the forces and ships raised by the Dominion; and also accept the principle of a common form of commission for service in "His Majesty's Fleet." In this connexion I would invite attention to Mr. Harcourt's despatch, Confidential, of the 17th August, 1912.†

4. I should be glad if your Ministers would give this matter their consideration, as the Lords Commissioners of the Admiralty consider it very desirable that the position of the Royal Canadian Navy, in relation to the Royal Navy, should be placed on a sound basis.

I have, &c.,

WALTER H. LONG.

Enclosure in No. 202.

SIR,

Ottawa, 10th September, 1917.

WITH reference to Admiralty Monthly Order 2759, of the 1st August, 1917, I have the honour to submit that Article 191 (a) of the King's Regulations may be further amended to include Royal Canadian naval officers, it having been already agreed that officers of the Royal Canadian Navy take rank and command with officers of the Royal Navy according to their rank and seniority in the Royal Canadian Navy. In view of the fact that the Regulations have been amended to that the Article in the King's Regulations and Admiralty Instructions should also include the Royal Canadian Navy.

I have, &c.,

C. KINGSMILL,

Admiral, Director of the Naval Service of Canada.

The Secretary of the Admiralty,
Whitehall, London, S.W.,
England.

61640

No. 203.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 205.]

(Confidential.)

MY LORD DUKE,

Downing Street, 22nd January, 1918.

IN continuation of my despatch Confidential, of the 7th December, 1917,‡ regarding the position of the Royal Canadian Navy in relation to the Royal Navy, I have the honour to state, for the information of Your Excellency's Ministers, that the Lords Commissioners of the Admiralty have received from the Director of the Naval Service at Ottawa a request for telegraphic authority to issue to the Commander-in-Chief, North America and West Indies Station, a commission signed by the Minister of the Naval Service authorizing the Commander-in-Chief to convene courts martial for the trial of Canadian offenders.

2. The Director of the Naval Service has been informed that owing to legal difficulties it is not at present possible for the desired commission to be issued.

3. In this connexion I would invite reference to the despatches addressed by Mr. (now Viscount) Harcourt to His Royal Highness the Duke of Connaught, No. 726, of the 24th September, 1913,§ and No. 592, of the 31st July, 1914.||

I am, &c.,

WALTER H. LONG.

* No. 10 in Dominions No. 52. † No. 54 in Dominions No. 46. ‡ No. 202. § No. 28 in Dominions No. 47. || No. 22 in Dominions No. 52.

7554

No. 204.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 11th February, 1918.)

(Confidential.)

SIR, Government House, Ottawa, 10th January, 1918.
 WITH reference to your Confidential despatch of the 7th December* regarding the suggestion of the Director of the Naval Service of Canada that Article 191A of the King's Regulations and Admiralty Instructions should be made applicable to the Royal Canadian Navy, I have the honour to inform you that the Minister of the Naval Service notes that it will be necessary that action be taken to make provision for the Naval Discipline (Dominion Naval Forces) Act, 1911, to come into operation in relation to the forces and ships raised by the Dominion before this regulation can apply to them. Action is at present under consideration in the Department of the Naval Service to have the Dominion naval forces, etc., placed under the Naval Discipline (Dominion Naval Forces) Act, 1911.

As soon as the necessary legislation has been enacted the question will be taken up further.

I have, &c.,
 C. FITZPATRICK,
 Administrator.

15987

No. 205.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1st April, 1918.)

[Answered by No. 206.]

(Confidential.)

SIR, Government House, Ottawa, 7th March, 1918.
 WITH reference to your Confidential despatch of the 22nd January,† regarding the position of the Royal Canadian Navy in relation to the Royal Navy, I have the honour to inform you that my Ministers represent that, in view of the decision that owing to legal difficulties it is not at present possible for a Courts Martial Commission to be issued by the Minister of the Naval Service of Canada to the Commander-in-Chief, North America and West Indies, authorizing that officer to convene a court for the trial of Canadian offenders, it would appear that Canadian officers should not be summoned to attend courts martial convened by the Commander-in-Chief, North America and West Indies.

In the past it has been customary for the Commander-in-Chief, when convening courts martial at Halifax, to summon Canadian officers who, by their seniority, were eligible to attend such courts martial. It would appear that if the Commander-in-Chief may not legally convene courts martial for the trial of Canadian offenders, Canadian officers cannot legally be summoned to attend the trial of Imperial offenders.

The Minister of the Naval Service would be grateful for a decision in regard to this matter at as early a date as possible.

I have, &c.,
 DEVONSHIRE.

* No. 202. † No. 203.

20124

No. 206.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential.)

MY LORD DUKE, Downing Street, 30th April, 1918.
 WITH reference to Your Excellency's Confidential despatch of the 7th of March,* I have the honour to request you to inform your Ministers that the Lords Commissioners of the Admiralty state that the Commander-in-Chief, North America and West Indies, has been directed not to summon Canadian naval officers to attend courts martial convened by him.

I have, &c.,
 WALTER H. LONG.

37956

No. 207.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6th August, 1918.)

[Answered by No. 208.]

(No. 619.)

SIR, Government House, Ottawa, 11th July, 1918.
 I HAVE the honour to inform you, for the information of the Admiralty, that my Ministers represent that an Act was passed at the last session of the Parliament of Canada, assented to on the 24th May, 1918, bringing into force, as regards the Dominion of Canada, the provisions of the Naval Discipline (Dominion Naval Forces) Act, 1911, enacted by Parliament of Great Britain and Ireland. Five copies of the Act are herewith enclosed.

My Ministers request that steps may be taken to approach the Admiralty with a view to the necessary amendments being made to the King's Regulations.

Further, information is desired as to whether any alterations, and, if so, what, should be made in the form of commissions and warrants now in use in the Canadian Naval Service, observing that such commissions and warrants are at present issued "In His Majesty's Canadian Fleet."

I have, &c.,
 DEVONSHIRE.

Enclosure in No. 207.

§ 9 GEORGE V.—CHAPTER 34.

An Act respecting the Naval Discipline (Dominion Naval Forces) Act, 1911.

[Assented to 24th May, 1918.]

WHEREAS the Naval Discipline (Dominion Naval Forces) Act, 1911, enacted by the Parliament of the United Kingdom of Great Britain and Ireland, among other things provides that where in any self-governing dominion provision has been made, either before or after the passing of the Act, for the application to the naval forces raised by the dominion of the Naval Discipline Act, 1866, as amended by any subsequent enactment, that Act as so amended shall have effect as if reference therein to His Majesty's navy and His Majesty's ships included the forces and ships raised and provided by the dominion, subject, however, in the application of the said Act to the forces or ships of the dominion, to such modifications and adaptations, if any, as may have been or may be made by the law of the dominion to adapt the Act to the circumstances of the dominion, provided, however, that where any forces or ships of the self-governing dominion have been placed at the disposal of the Admiralty the Act shall apply without any modification or adaptation; and whereas the Act also provides that it shall not come into operation in relation to the forces and ships raised and provided by the self-governing dominion unless and until provision to that effect shall be made in the

* No. 205.

dominion; and whereas, by section forty-eight of The Naval Service Act, chapter forty-three of the statutes of 1910, it is provided that the Naval Discipline Act, 1866, and the Acts in amendment thereof passed by the Parliament of the United Kingdom at the time being in force, with certain modifications, adaptations and exceptions set out and provided for in the said Naval Service Act, shall apply to the Naval Service; and whereas it is expedient that the said Naval Discipline (Dominion Naval Forces) Act, 1911, should come into operation in relation to the Naval Service of Canada: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Naval Discipline (Dominion Naval Forces) Act, 1911, made applicable to Canada.

1. The Naval Discipline (Dominion Naval Forces) Act, 1911, enacted by the Parliament of the United Kingdom of Great Britain and Ireland shall come into operation in relation to the naval forces raised by the Dominion of Canada and the ships provided for such naval forces, subject to the modifications, adaptations and exceptions set out and provided for in section forty-eight of The Naval Service Act, chapter forty-three of the statutes of 1910.

15740

No. 208.

THE SECRETARY OF STATE TO THE DEPUTY GOVERNOR-GENERAL.

(Sent 7.45 p.m., 1st April, 1920.)

TELEGRAM.

[Answered by No. 209.]

1ST APRIL. Your despatch of 11th July, 1918, No. 619* Following draft Order in Council has been prepared by Lords Commissioners of Admiralty applying provisions of Order in Council of 12th August, 1913, see my despatch 24th September, 1913, No. 726,† to naval forces of Canada. Begins: [Text of Order in Council is printed in No. 211.] Ends.

- For Order in Council relating to New Zealand referred to in above draft see my despatch of 31st July, 1914, No. 592‡.

Following further draft Order in Council prepared by Lords Commissioners of Admiralty providing that Naval Commissions in the Royal Navy and Royal Canadian Navy may be valid for service in His Majesty's Fleet defined so as to include both Royal Navy and Royal Canadian Navy: Begins: [Text of Order in Council is printed in No. 210.] Ends.

See in this connexion my despatch of 7th December, 1917, Confidential.§ Should be glad to learn by telegraph whether your Ministers concur in Lords Commissioners of Admiralty proceeding with two Orders in Council.—MILNER.

20662

No. 209.

THE DEPUTY GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 10.55 p.m., 22nd April, 1920.)

TELEGRAM.

[Answered by Nos. 210 and 211.]

22ND APRIL. Your telegram 1st April,|| proposed application of two Imperial Orders in Council as therein recited to Naval Force of Canada. Government of Canada concur in these two Orders in Council.

* No. 207. † No. 28 in Dominions No. 47. ‡ No. 22 in Dominions No. 52. § No. 202. || No. 208.

35398

No. 210.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.	} Dominions No. 298.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD,] [SIR,]

Downing Street, 27th July, 1920.

WITH reference to [To Canada only: Your telegram of the 22nd April,*] [To all except Canada: Mr. (now Viscount) Harcourt's despatch No. [111,] [90,] [92,] [66,] of the 20th February, 1914,†] I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of an Order of His Majesty in Council, dated 28th June, on the subject of commissions in the Royal Navy and the Royal Canadian Navy.

I have, &c.,

MILNER.

Enclosure in No. 210.

AT THE COURT AT BUCKINGHAM PALACE, THE 28TH DAY OF JUNE, 1920.

Present:

THE KING'S MOST EXCELLENT MAJESTY IN COUNCIL.

WHEREAS there was this day read at the Board a memorial from the Right Honourable the Lords Commissioners of the Admiralty, dated the 12th day of June, 1920, in the words following, viz.:—

"Whereas Your Majesty has been graciously pleased to sanction the provision and maintenance of a naval force by the Dominion of Canada and to approve of such naval force being designated the Royal Canadian Navy:

"And whereas provision has been made by the Parliament of the Dominion of Canada for the application to the Royal Canadian Navy of the Naval Discipline Act, 1866, as amended by any subsequent enactment, and of the regulations for the government of the Royal Navy for the time being in force as regards disciplinary matters and for the coming into operation in relation to the Royal Canadian Navy of the Naval Discipline (Dominion Naval Forces) Act, 1911:

"And whereas it is desirable that the officers of the Royal Canadian Navy shall be interchangeable with those of the Royal Navy, and that all such officers shall rank with those of the Royal Navy according to their rank and the dates of their commissions:

"And whereas this object will be secured if the officers of the Royal Navy and the Royal Canadian Navy have commissions which will be effective both in the Royal Navy and in the Royal Canadian Navy:

"And whereas, subject to Your Majesty's approval, it has been agreed between us and the Government of the Dominion of Canada that commissions which may be granted for service in Your Majesty's fleet, whether by us or by the Governor-General of the Dominion of Canada, shall include service both in the Royal Navy and in the Royal Canadian Navy, and that all naval commissions hitherto issued, whether by us or in accordance with the law in force in the Dominion of Canada shall be deemed to have been issued for service in Your Majesty's fleet:

"We beg leave humbly to recommend that Your Majesty may be graciously pleased by your Order in Council to declare your approval of the agreement aforesaid, and to authorize us to grant commissions for service in Your Majesty's fleet as hereinafter defined to any officers of the Royal Navy, and to authorize the Governor-General of the Dominion of Canada to grant commissions for service in Your Majesty's fleet as hereinafter defined to any officers of the Royal Canadian Navy:

* No. 209.

† Nos. 8 and 9 in Dominions No. 52.

"And we also beg leave humbly to recommend that Your Majesty may by such Order in Council declare that in all future commissions that may be granted in the Royal Navy or the Royal Canadian Navy the expression 'service in Your Majesty's fleet' shall include service in the Royal Navy and in the Royal Canadian Navy."

"And further that all naval commissions issued hitherto, whether by us or in accordance with the law in force in the Dominion of Canada, may be deemed to have been issued for service in Your Majesty's fleet as above defined."

His Majesty, having taken the said memorial into consideration, was pleased, by and with the advice of His Privy Council, to approve of what is therein proposed.

And the Right Honourable the Lords Commissioners of the Admiralty are to give the necessary directions herein accordingly.

ALMERIC FITZROY.

38379

No. 211.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by Nos. 213 and 214.]

(No. 475.)

MY LORD DUKE,

Downing Street, 6th August, 1920.

WITH reference to Sir L. H. Davies's telegram of the 22nd April,* I have the honour to transmit to Your Excellency, to be laid before your Ministers, copies of an Order of His Majesty in Council, dated the 28th June, extending to the Dominion of Canada and the naval forces thereof the provisions of the Order made by His Majesty in Council on the 12th August, 1913, under section 1 (1) (b) of the Naval Discipline (Dominion Naval Forces) Act, 1911.

2. I shall be glad to have in due course the date on which this Order is brought into operation.

3. I desire to express my regret at the delay, due to the non-receipt of copies from the Admiralty, in forwarding this Order and that enclosed in my despatch Dominions No. 298 of the 27th ultimo.†

I have, &c.,

MILNER

Enclosure in No. 211.

AT THE COURT AT BUCKINGHAM PALACE, THE 28TH DAY OF JUNE, 1920.

Present:

THE KING'S MOST EXCELLENT MAJESTY IN COUNCIL.

WHEREAS there was this day read at the Board a memorial from the Right Honourable the Lords Commissioners of the Admiralty, dated the 12th day of June, 1920, in the words following, viz.:—

"Whereas it is provided by the Naval Discipline (Dominion Naval Forces) Act, 1911, that where in any Self-governing Dominion as defined by the said Act, provision has been made (either before or after the passing of the said Act) for the application to the naval forces raised by the Dominion of the Naval Discipline Act, 1866, as amended by any subsequent enactment, the last-mentioned Act, as so amended, shall have effect as if references therein to His Majesty's Navy and His Majesty's ships included the forces and ships raised and provided by the Dominion, subject however in the application of the last-mentioned Act, as so amended, to the forces and ships of His Majesty's Navy not raised and provided by a Self-governing Dominion (hereinafter called the Royal Navy) to such modifications and adaptations as may be made by His Majesty in Council for the purpose of regulating the relations of the last-mentioned forces and ships to the forces and ships raised and provided by the Self-governing Dominions or any of them.

* No. 209.

† No. 210.

"And whereas it is also provided by the Naval Discipline (Dominion Naval Forces) Act, 1911, that the said Act now in recital shall not come into operation in relation to the forces or ships raised and provided by any Self-governing Dominion unless or until provision to that effect has been made in the Dominion.

"And whereas by Order in Council of the 12th day of August, 1913, it was provided that certain modifications and adaptations in the application of the Naval Discipline Act, 1866, as amended by any subsequent enactment, to the Royal Navy, should be made for the purpose of regulating the relations of the Royal Navy to the naval force of the Commonwealth of Australia and to the naval forces of any other Self-governing Dominion which might thereafter make provision for the application to their naval forces of the Naval Discipline (Dominion Naval Forces) Act, 1911, on the provisions of the said Order in Council of the 12th day of August, 1913, being made applicable to such Dominion by Order in Council.

"And whereas by the Naval Defence Act, 1913, New Zealand has made provision for bringing the naval forces of New Zealand within the operation of the Naval Discipline (Dominion Naval Forces) Act, 1911; and the provisions of the aforesaid Order in Council of the 12th day of August, 1913, have been applied to the Dominion of New Zealand and to the naval forces thereof by Your Majesty's Order in Council of the 16th day of July, 1914.

"And whereas Your Majesty has been graciously pleased to sanction the provision and maintenance of a naval force by the Dominion of Canada.

"And whereas provision has been made by the Dominion of Canada for the application to the naval forces raised by the said Dominion of the Naval Discipline Act, 1866, as amended by any subsequent enactment, and of the regulations for the government of the Royal Navy as regards disciplinary matters for the time being in force, and also for bringing into operation in relation to the forces and ships raised and provided by the said Dominion the Naval Discipline (Dominion Naval Forces) Act, 1911.

"We beg leave humbly to recommend that the provisions of the said Order in Council of the 12th day of August, 1913, shall be made applicable to the Dominion of Canada and to the Naval Forces thereof.

"And we further beg leave humbly to recommend that this Order shall come into operation on such date as may be fixed by the Governor-General in Council."

His Majesty, having taken the said memorial into consideration, was pleased, by and with the advice of His Privy Council, to approve of what is therein proposed.

And the Right Honourable the Lords Commissioners of the Admiralty are to give the necessary directions herein accordingly.

ALMERIC FITZROY.

38379

No. 212.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Commonwealth of Australia, No. 323.)

(New Zealand, No. 161.)

(Union of South Africa, No. 342.)

(Newfoundland, No. 88.)

[MY LORD,] [SIR,]

Downing Street, 18th August, 1920.

WITH reference to Mr. (now Viscount) Harcourt's despatch No. [484,] [333,] [345,] [252,] of the 31st of July, 1914,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of an Order of His Majesty in Council,† dated the 28th of June, extending to the Dominion of Canada and the naval forces thereof the provisions of the Order made by His Majesty in Council on the 12th of August, 1913, under section 1 (1) (b) of the Naval Discipline (Dominion Naval Forces) Act, 1911.

I have, &c.,

MILNER.

* Nos. 20, 21, and 23 in Dominions No. 52.

† Enclosure in No. 211.

46394

No. 213.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.25 p.m., 17th September, 1920.)

TELEGRAM.

17TH SEPTEMBER. Your despatch 6th August, No. 475.* Naval Discipline Act, 1911. Order in Council made by the King in Council, 12th August, 1913, has been brought in operation in Canada as from 1st September, 1920, by Order in Council approved 15th September.—DEVONSHIRE.

48378

No. 214.

THE DEPUTY GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1st October, 1920.)

(No. 595.)

MY LORD,

Ottawa, 21st September, 1920.

WITH reference to your despatch No. 475 of the 6th of August,* on the subject of Naval Discipline Act, 1911, I have the honour to transmit herewith copies of an Order in Council bringing into force in Canada, as from the 1st of September, 1920, the provisions of the Order of His Majesty in Council, dated 12th August, 1913. It was upon this Order in Council that my telegram of the 17th of September† was based.

I have, &c.,

L. H. DAVIES,

Deputy Governor-General.

Enclosure in No. 214.

(P.C.2137.)

AT THE GOVERNMENT HOUSE AT OTTAWA, WEDNESDAY, THE 15TH DAY OF SEPTEMBER, 1920.

Present:

HIS EXCELLENCY THE DEPUTY GOVERNOR-GENERAL IN COUNCIL.

WHEREAS it is provided by the Naval Discipline (Dominion Naval Forces) Act, 1911, that where in any self-governing Dominion as defined by the said Act, provision has been made (either before or after the passing of the said Act) for the application to the naval forces raised by the Dominion of the Naval Discipline Act, 1866, as amended by any subsequent enactment, the last mentioned Act, as so amended, shall have effect as if references therein to His Majesty's Navy and His Majesty's ships included the forces and ships raised and provided by the Dominion, subject, however, in the application of the last-mentioned Act, as so amended, to the forces and ships of His Majesty's Navy not raised and provided by a self-governing Dominion (hereinafter called the Royal Navy) to such modifications and adaptations as may be made by His Majesty in Council for the purpose of regulating the relations of the last-mentioned forces and ships to the forces and ships raised and provided by the self-governing Dominions or any of them;

And whereas it is also provided by the Naval Discipline (Dominion Naval Forces) Act, 1911, that the said Act now in recital shall not come into operation in relation to the forces and ships raised and provided by any self-governing Dominion unless or until provision to that effect has been made in the Dominion;

And whereas by His Majesty in Council on the 12th day of August, 1913, it was provided that certain modifications and adaptations to the application of the Naval Discipline Act, 1866, as amended by any subsequent enactment, to the Royal Navy, should be made for the purpose of regulating the relations of the Royal Navy to the naval forces of the Commonwealth of Australia and the naval forces of any other self-governing Dominion which might thereafter make provision for

* No. 211. † No. 213.

the application to the naval forces of the Naval Discipline (Dominion Naval Forces) Act, 1911, on the provisions of the said Order in Council of the 12th day of August, 1913, being made applicable to such Dominion by Order in Council;

And whereas His Majesty has been graciously pleased to sanction the provision and maintenance of a naval force by the Dominion of Canada;

And whereas provision has been made by the Dominion of Canada for the application to the naval forces raised by the said Dominion, of the Naval Discipline Act, 1866, as amended by any subsequent enactment and of the Regulations for the governing of the Royal Navy as regards disciplinary matters for the time being in force, and also for the bringing into operation in relation to the forces and ships raised and provided by the said Dominion, the Naval Discipline (Dominion Naval Forces) Act, 1911:

And whereas by His Majesty in Council on the 28th June, 1920, it was provided that the provisions of the said Order in Council of the 12th August, 1913, should be made applicable to the Dominion of Canada, and to the naval forces thereof;

And whereas it was further provided by said Order in Council of the 28th day of June, 1920, that that Order shall come into operation at such date as shall be fixed by the Governor-General of Canada in Council;

Therefore His Excellency the Deputy Governor-General in Council, on the recommendation of the Acting Minister of the Naval Service, is pleased to order and it is hereby ordered that the provisions of the said Order in Council of the 28th day of June, 1920, shall come into operation on the 1st day of September, 1920.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

48378

No. 215.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL and GOVERNOR.

(Commonwealth of Australia. No. 433.)

(New Zealand. No. 224.)

(Union of South Africa. No. 412.)

(Newfoundland. No. 128.)

[MY LORD,] [SIR,]

Downing Street, 19th October, 1920.

WITH reference to my despatch No. [323] [161] [342] [88] of the 18th August,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, a copy of a despatch† from the Deputy Governor-General of Canada relative to the Naval Discipline Act, 1911.

I have, &c.,

MILNER.

(2) Australia.

30291

No. 216.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 27th June, 1916.)

[Answered by No. 217.]

(No. 152.)

Commonwealth of Australia, Governor-General's Office,

SIR,

Melbourne, 10th May, 1916.

REFERRING to your despatch No. 484, dated 31st July, 1914,‡ forwarding copies of additions to the King's Regulations and Admiralty Instructions, in connexion with the application of the Naval Discipline Act to the naval forces of the Commonwealth of Australia, and also enclosing a commission authorizing the Vice-

* No. 212. † No. 214. ‡ No. 21 in Dominions No. 52.

Admiral Commanding His Majesty's Australian Fleet to convene courts martial for the trial of officers and men of the Royal Navy, my Government recommend, for the consideration of the Admiralty, that a similar commission be issued in my favour with a view to my deputing such authority to the Naval Board.

It is pointed out that the Naval Board is authorized by the Governor-General, under the Naval Discipline Act, as amended, to adapt it to the Royal Australian Navy under the Commonwealth Naval Defence Act, to convene courts martial, and the Vice-Admiral Commanding His Majesty's Australian Fleet similarly holds deputed authority to convene such courts for the trial of members of the Commonwealth Naval Forces. It would therefore seem proper that the Naval Board, as well as the Vice-Admiral Commanding His Majesty's Australian Fleet, should be furnished with the necessary authority under the Naval Discipline Act to convene courts martial for the trial of officers and men of the Royal Navy (whether on loan to the Royal Australian Navy or not).

Moreover, circumstances are very likely to occur wherein one of His Majesty's ships might be in a position to apply more readily to the Commonwealth Naval Board for the holding of a court martial than to any other authority holding an Admiralty warrant. Such a position has, in fact, existed when H.M.S. "Pyramus" was at Melbourne, and also when other of His Majesty's ships have been at Australian ports (refitting at Sydney, etc.). There are also sometimes persons belonging to the Royal Navy borne as care and maintenance parties of His Majesty's ships paid off at Sydney, and others undergoing detention in Australia.

In connexion with this matter I enclose herewith copy of the opinion of the Law Officers on this matter.

I have, &c.,
R. M. FERGUSON,
Governor General.

Enclosure in No. 216.

OPINION.—CROWN SOLICITOR.

PROPOSED REQUEST FOR AUTHORITY FROM ADMIRALTY TO NAVAL BOARD WITH
RESPECT TO ROYAL NAVAL OFFICERS.

THE SECRETARY,

ATTORNEY-GENERAL'S DEPARTMENT.

It has been proposed that a letter in the following terms be sent to the Secretary of State for the Colonies:—

"With reference to your despatch No. 484, of 31st July, 1914, forwarding copies of additions to the King's Regulations and Admiralty Instructions, in connexion with the application of the Naval Discipline Act to the naval forces of the Commonwealth, and also enclosing a commission authorizing the Vice-Admiral Commanding His Majesty's Australian Fleet to convene courts martial for the trial of officers and men of the Royal Navy, my Government recommend, for the consideration of the Admiralty, that a similar commission be issued in favour of the Naval Board.

"It is pointed out that the Naval Board is authorized by the Governor-General, under the Naval Discipline Act, as amended in its adaptation to the Royal Australian Navy, to convene courts martial, and the Vice-Admiral Commanding holds a commission from the Governor-General to similarly convene such courts.

"It would therefore seem proper that the Naval Board, as well as the Vice-Admiral Commanding, should be furnished with the Admiralty warrant.

"Moreover, circumstances are very likely to arise wherein one of His Majesty's ships might be in a position to apply readily to the Naval Board for the holding of a court martial when a similar application to the Vice-Admiral Commanding would be out of the question. Such a position has in fact existed recently during the presence of H.M.S. 'Pyramus' at Melbourne, and also during the visits of H.M.S. 'Minotaur' and other of His Majesty's ships to Albany and Hobart. There are also at present Royal Navy ratings forming care and maintenance parties of H.M.S. 'Fantome' and 'Psyche' at Sydney."

The Minister for Defence has placed the following minute on the papers:—

"For opinion of Crown Solicitor.

"I am not satisfied that the procedure recommended in the attached proposed letter is the right one.

"I wish to be advised as to whether, in accordance with the spirit of the Naval Defence Act and Naval Discipline Act, the request should not be made for authority for the Governor-General or the Minister to authorize the Naval Board.

"In other words, should the Admiralty be asked to authorize the Naval Board to convene courts martial on Royal Naval Officers, or should the Admiralty be asked to confer such authority on the Governor-General or the Minister, who could by Order in Council delegate his powers to the Naval Board."

The Naval Board is constituted under section 7 of the Naval Defence Act, and its powers and functions, as a Commonwealth authority, are limited to those conferred on it by the Regulations in force under the Act. It is no part of the functions of the Board, as such Commonwealth authority, to have delegated powers from an Imperial authority conferred upon it.

It is, in my opinion, undesirable for a Commonwealth authority (other than the Governor-General) to hold a direct authority from the Imperial Government, or any authority directly under the Imperial Government, because the Imperial Government or authority would then become the direct principal of the Commonwealth authority.

The questions asked in the last paragraph of the Minister's minute appear to me to involve the consideration of matters of policy and constitutional propriety, and it might be more desirable if the questions were considered by the Attorney-General or the Secretary to the Department than by me.

GORDON H. CASTLE,
Crown Solicitor.

21st May, 1915.

Attorney-General's Department.

(Navy. 16/3241.)

(Defence. 2102/2/38.)

*Proposed request for authority from Admiralty to Naval Board with respect to
Royal Naval Officers.*

THE SECRETARY,

DEPARTMENT OF DEFENCE.

Crown Solicitor's opinion herewith.

See also minute approved by my Minister.

R. R. GARRAN,
Secretary.

5th April, 1916.

SECRETARY.

NOTED.

Forwarded for the Honourable the Minister for the Navy's consideration.

G. F. PEARCE.

14th April, 1916.

NAVAL SECRETARY.

T. TRUMBLE,
Acting Secretary,
Department of Defence.

14th April, 1916.

PROPOSED REQUEST FOR AUTHORITY FROM ADMIRALTY TO NAVAL BOARD WITH
RESPECT TO ROYAL NAVAL OFFICERS.

THE ACTING ATTORNEY-GENERAL,

SUBMITTED.

The Admiralty has recently issued a commission authorizing the Rear-Admiral Commanding His Majesty's Australian Fleet to convene courts martial for the trial of offences under the Naval Discipline Act committed by officers and men of the Royal Navy when the Royal Navy and the Royal Australian Navy are acting together.

It has been suggested that, as the Governor-General has, under the Naval Discipline Act, as amended in its adaptation to the Royal Australian Navy, authorized both the Naval Board and the Vice-Admiral to convene courts martial, a commission similar in effect to that issued to the Rear-Admiral be issued by the Admiralty to the Naval Board.

The Minister desires advice as to whether the proper course is for the Admiralty to be asked—

(a) to authorize the Naval Board to convene courts martial on Royal Naval officers; or

(b) to confer such authority on the Governor-General or the Minister, who could by Order in Council delegate his powers to the Naval Board.

I submit that the second course proposed by the Minister of Defence is the correct one. I agree with the Crown Solicitor that, as a general rule, it would be inadvisable for a Commonwealth authority (other than the Governor-General) to hold a direct authority from the Imperial Government.

I recommend that the Minister for Defence be informed accordingly.

R. R. GARRAN,
Secretary.

3rd April, 1916.

Approved.—H. M., 4th April, 1916

36811

No. 217.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 218.]

(No. 852.)

SIR, Downing Street, 31st August, 1916.

I HAVE the honour to request Your Excellency to inform your Ministers that I have laid before the Lords Commissioners of the Admiralty your despatch No. 152, of 10th May last,* relative to the desire of your Government that you should receive a commission to enable you to depute to the Naval Board authority to convene courts martial for the trial of officers and men of the Royal Navy.

2. The Lords Commissioners fully appreciate the desirability of authorizing an officer in Australian waters to convene courts martial from time to time as necessary, and they would have been glad if they could have met the wishes of your Ministers in the matter, but they are advised that, having regard to the terms of section 58 (9) of the Naval Discipline Act, it is not within their power to issue the desired warrant.

3. Their Lordships observe, however, that this technical difficulty need not give rise to any practical inconvenience, since an Admiralty warrant to convene courts martial can be issued to any officer of the Royal Navy or Royal Australian Navy of suitable seniority and on full pay, and they accordingly suggest that such a warrant should be issued to them, either to one of the naval officers on the Naval Board, provided that he is on full pay, or to the Commodore in charge of the naval establishments at Sydney, he being also on full pay.

4. I shall be glad to learn the views of your Ministers on this suggestion, and, if it meets with their approval, to be informed to which of the above-mentioned officers they would desire to have the Admiralty warrant issued.

I have, &c.,
A. BONAR LAW.

* No. 216.

53129

No. 218.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 29th October, 1917.)

[Answered by No. 219.]

(No. 319.)

SIR, Governor-General's Office, Melbourne, 28th August, 1917.
REFERRING to your despatch No. 852, dated 31st August last,* on the subject of naval courts martial for the trial of officers or men of the Royal Navy should any of His Majesty's ships be within the limits of the Australian station, I have the honour to transmit herewith copy of despatch which has been addressed to me by my Prime Minister on this subject.

I have, &c.,
R. M. FERGUSON,
Governor-General.

Enclosure in No. 218.

(17/2034/5.)

SIR,

Prime Minister, Melbourne, 22nd August, 1917.

WITH reference to the Secretary of State for the Colonies' despatch of the 31st August, 1916, No. 852, on the subject of naval courts martial for the trial of officers or men of the Royal Navy should any of His Majesty's ships be within the limits of the Australian station, I have the honour to invite Your Excellency to be so good as to inform the Secretary of State that it is considered that it would be most convenient if an Admiralty warrant for that purpose could be issued to the first and second members of the Commonwealth Naval Board. It is doubtful, however, whether the power to do this exists, in view of the fact that these officers hold no "naval appointment," are not borne on the books of one of His Majesty's ships, and do not exercise their office by virtue of their naval rank and seniority, but under the authority of an appointment by the Governor-General in Council under section 7 of the Commonwealth Naval Defence Act and the Regulations made thereunder. It is, therefore, submitted for the decision of the Lords Commissioners of the Admiralty whether these officers are "on full pay" within the meaning of section 58 (9) of the Naval Discipline Act.

The proposal that the Captain in charge at Garden Island, Sydney, should be granted the Admiralty warrant is not considered desirable, except as a last resort, in view of the difficulties which might arise owing to an officer subject to the Naval Board being in possession of authority which cannot be exercised by the Board which is constituted by Commonwealth Legislature for the administration of the whole of the naval forces of the Commonwealth.

I have, &c.,
E. J. ROSSER,
for the Prime Minister.

Governor-General
His Excellency
The Right Honourable
Sir Ronald Craufurd Munro-Ferguson,
P.C., G.C.M.G., &c., &c., &c.

60366

No. 219.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 4.)

SIR,

Downing Street, 3rd January, 1918.
WITH reference to Your Excellency's despatch No. 319, of the 28th of August, 1917,† I have the honour to transmit to you, to be laid before your Ministers, the accompanying copy of a letter from the Admiralty, enclosing a warrant for

* No. 217.

† No. 218.

the Captain in charge, Garden Island, Sydney, authorizing him to convene courts martial for the trial of officers and men of the Royal Navy in the event of any of His Majesty's ships being within the limits of the Australian station.

I have, &c.,

WALTER H. LONG.

Enclosure in No. 219.

SIR,

Admiralty, 6th December, 1917.

WITH reference to your letter of the 6th ultimo, forwarding a copy of a despatch* from the Governor-General of the Commonwealth of Australia, relative to convening of courts martial for the trial of officers and men of the Royal Navy in the event of any of His Majesty's ships being within the limits of the Australian station, I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for the Colonies, that, as the members of the Commonwealth Naval Board cannot be considered as "on full pay" within the meaning of section 58, subsection (9), of the Naval Discipline Act, the only possible course is to issue the warrant to convene courts martial to the Captain in charge, Garden Island, Sydney, and a warrant for that officer is accordingly forwarded herewith.

2. I am to add that the position is recognized by Their Lordships to be anomalous, but, in the circumstances, it is the only alternative which will permit of officers and men of the Royal Navy being tried by court martial on the Australian station.

I am, &c.,

CHARLES WALKER.

The Under-Secretary of State,
Colonial Office.

MEETING OF FLAG OFFICERS.

3852

No. 220.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by Nos. 221 and 222.]

(Secret.)

SIR,

Downing Street, 18th February, 1920

I HAVE the honour to transmit to your Excellency, to be laid before your Ministers, a copy of a letter from the Admiralty, in which the Lords Commissioners suggest that regular meetings should be arranged at a convenient date and place between the three Flag Officers of the China, East Indies, and Australian Squadrons.

2. I should be glad to learn in due course whether your Ministers concur in the above suggestion.

I have, &c.,

(for the Secretary of State)
L. S. AMERY.

Enclosure in No. 220.

3852

(Secret.)

SIR,

Admiralty, 20th January, 1920.

I AM commanded by My Lords Commissioners of the Admiralty to acquaint you, for the information of the Secretary of State for the Colonies, that their Lordships have had under consideration the question of the revision of the war arrangements for the various foreign stations. They consider that it is necessary to assume,

* No. 218.

as a basis of the war dispositions, co-operation between the China, East Indies, and Australian Squadrons, and, to ensure that such co-operation shall from the first be as effective as possible, they are anxious to arrange regular meetings at a convenient date and place between the three Flag Officers.

2. I am to request that the Australian Government may be informed in this sense and invited to agree to such meetings taking place annually or biennially. It is suggested that Singapore would be a convenient place.

I am, &c.,

ALEX. FLINT,
for Secretary.

The Under Secretary of State,
Colonial Office.

20665

No. 221.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.20 p.m., 22nd April, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your despatch 18th February, Secret,* regarding Admiralty proposal that Flag Officers should meet at Singapore occasionally, my Ministers concur in suggestion that Flag Officers of East Indies and China squadrons, together with Flag Officer in Australia, meet yearly or biennially.—MUSRO FERGUSON.

56594

No. 222.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.20 a.m., 16th November, 1920.)

TELEGRAM.

[Answered by No. 223.]

(Paraphrase.)

YOUR Secret despatch, 18th February, 1920;* meetings of Admirals of the China, East Indies, and Australian stations. Commonwealth Government suggests that the first meeting be held about March next, in Melbourne, and invites the Commanders-in-Chief of East Indies and China stations to be guests of the Commonwealth for that meeting. It is considered that the business to be discussed will deal largely with resources of Australia, and it would be better if first-hand particulars were obtained in Australia; further, during the last few years, much information regarding the Pacific, which would be of great use to conference, has been collected by Navy Office, Melbourne.—GOVERNOR-GENERAL.

60527

No. 223.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.5 p.m., 21st December, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your telegram 16th November.† In view of opportunities afforded by proposed meeting of Prime Ministers in June

* No. 220.

† No. 222.

next for discussion of naval policy, Lords Commissioners of Admiralty would prefer to postpone meeting of Flag Officers East Indies, Australian, and China stations until results of discussions regarding naval policy in Pacific and co-operation of Dominion therein are available. Lords Commissioners consider these officers would be in much better position with this knowledge at their disposal to formulate useful proposals. Hospitable invitation of Commonwealth Government is fully appreciated by Lords Commissioners of Admiralty, and they hope Commanders-in-Chief East Indies and China may be able, if invitation again extended to them, to avail themselves of it on future occasion.—MILNER.

NAVAL CORDITE.
Manufacture in Australia.

49717

No. 224.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 11.40 a.m., 8th October, 1920.)

TELEGRAM.

[Answered by No. 225.]

8TH OCTOBER. Request Admiralty may be asked to advise whether they recommend that project for manufacture of naval cordite in Australia should be proceeded with, or whether any possible change in nature of propellant renders that project undesirable at present.—GOVERNOR-GENERAL.

53426/S

No. 225.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 12.30 p.m., 3rd November, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your telegram, 8th October,* with regard to cordite, Lords Commissioners of Admiralty state that development of new type propellant is strongly recommended by Moulton's Committee, and that research in this direction is being pressed with a view to obtaining one without latent instability which appears inherent in nitro-cellulose and nitro-glycerine propellants. It is hoped that within the next few years successful results will be achieved. Therefore Admiralty consider that in view of possible complete change in manufacture of propellants it would be waste of effort to take extreme measures in order at once to start production of cordite in Australia for naval purposes. They recommend that actual manufacture should be deferred, and that suitable persons should be selected by Navy Board, e.g., officers with artillery training, to form inspection staff, and that arrangements should be made for their training in England. Admiralty will give all assistance in training officers and testing competence.

Despatch† follows by mail.—MILNER.

* No. 224.

† No. 226.

53426/S

No. 226.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Secret.)

MY LORD,

Downing Street, 5th November, 1920.

In confirmation of my telegram of the 3rd November, 1920,* I have the honour to transmit to Your Excellency, to be laid before Your Ministers, the accompanying copy of a letter from the Lords Commissioners of the Admiralty to the High Commissioner for the Commonwealth of Australia, on the subject of the manufacture of naval cordite in Australia.

I have, &c.,

MILNER.

Enclosure in No. 226.

(M./G. 8908.)

(Secret.)

SIR,

Admiralty, 19th October, 1920.

WITH reference to your letter N. 73, of the 1st June, I am commanded by My Lords Commissioners of the Admiralty to acquaint you that they have had under consideration the request of the Navy Board for Admiralty assistance in the institution of a qualified inspection staff to supervise the manufacture of cordite for naval purposes in Australia.

2. The Admiralty find considerable difficulty in meeting the request of the Navy Board.

3. As you will be aware, during the War several explosions occurred in the magazines of His Majesty's ships which resulted in the total destruction of the vessels concerned.

4. As a result extensive research was made into the stability of cordite under conditions of naval service.

5. As a result, a large number of additional complications have necessarily been introduced into the manufacture of cordite, and additional tests have been imposed. None of these can be dispensed with without endangering the safety of the vessels in which the cordite is embarked.

The whole matter was recently discussed by a Committee under the chairmanship of Lord Moulton.

6. The minimum staff for inspection purposes would consist of (a) an Inspector with a thorough knowledge of manufacture of cordite and of the manufacture and purification of the constituents employed. This officer must also be familiar with all forms of test, and be able to direct the work of the laboratory staff employed in connexion therewith. In addition, he must be able to deal with questions relating to the ballistics of the cordite, the proof and adjustment of the charges, make up, storage, the periodical testing of charges, etc.

(b) An Assistant Inspector to understudy (a). This officer must be of the standard of education sufficient to enable him to acquire the knowledge to understudy the Inspector and ultimately to succeed him.

(c) A staff of research chemists for elucidating points which will frequently arise in connexion with inspection. The chemists employed in the Admiralty Laboratory Inspection Staff at Holton Heath have only to carry out routine tests and investigations, since abstruse questions are referred to the Chief Superintendent of Research, Woolwich, who has a large and highly qualified staff of physicists and chemists working continuously under him. If reference to such a laboratory is not possible in Australia, the Laboratory Inspection Staff must themselves be highly qualified.

7. The Admiralty Inspection Staff is already below the numbers required, and it will therefore not be possible to lend any officers from this staff.

8. My Lords are keenly alive to the desirability of the Commonwealth becoming self-supporting, as far as is practicable, in every branch of naval development, and they desire that you will communicate to the Navy Board the following suggestions as to the way in which the difficulty may be met.

* No. 225.

9. Lord Moulton's Committee, mentioned above, strongly recommend the development of a new type of propellant, and research in this direction is being pressed on with a view to obtaining one without the latent instability which appears to be inherent in nitro-glycerine and nitro-cellulose propellants. It is hoped that successful results will be achieved in the course of the next few years.

10. In view therefore of the possibility of a complete change in the manufacture of the propellants, My Lords consider it would be a waste of effort to take extreme measures in order to start the production of cordite for naval purposes in Australia at once. They would recommend:—

(1) That the actual manufacture of cordite for naval purposes in Australia should be deferred.

(2) That the Navy Board should select suitable persons, e.g., officers with artillery training, to form the inspection staff, and should arrange for them to undergo the necessary training in England.

The Admiralty will give all assistance in training the officers and testing their competence.

11. It would then be possible for the manufacture of propellants for naval use to be started, with confidence that they can be safely carried in His Majesty's ships—a project which may be of the greatest importance in the future in the maintenance of ammunition supplies to a Fleet working in Eastern waters.

It is observed, however, that even with the trained staff obtained as suggested above, it will still be necessary, unless the risk of instability in the propellants has by then been removed, to keep in close touch with the Admiralty at home in order to ensure that modifications in manufacture are introduced as their necessity becomes apparent.

12. I am to add that it would be too much to expect of an officer that he should be qualified to carry out the duties of Inspector of Naval Ordnance Stores, Torpedoes and Mines, as well as those of Inspector of Cordite.

I am, &c.,

O. MURRAY.

62799

No. 227.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 23rd December, 1920.)

(Confidential.)

My LORD, Governor-General's Office, Melbourne, 3rd November, 1920.

I HAVE the honour to inform Your Lordship that I am advised by my Prime Minister that the position with regard to the manufacture of ammunition in Australia is as follows:—

The Department of Ammunition Supply is turning out in the Maribyrnong factory sufficient gun and rifle cordite to meet the needs of the Military (Defence Department). In another portion of the Maribyrnong factory plant has been erected to manufacture one type of fuze (No. 80) for the Defence Department. This is the extent to which the Government manufacture has advanced at present.

The policy of the Department is to build up gradually an establishment having two distinct sides:—

- (a) A manufacturing side which shall in time be able to produce a certain quantity of the various items under the general head of ammunition (required by the Defence Department), i.e., projectiles, tubes, fuzes, etc.
- (b) A laboratory or examination side which shall be equipped to carry out the prescribed acceptance tests of any ammunition or other war material which may be made by the Government factory or by private firms in Australia.

The Commonwealth Government has realized that the first step towards manufacturing ammunition in Australia must be to set the standard of accurate measurement and high quality of materials required, holding the view that when these standards are known and can be dealt with by the Government, private firms will come forward and equip their factories to satisfy them.

To carry its policy into effect the Government is erecting laboratories on a considerable scale at Maribyrnong. The general equipment and machines which

are to be installed are on up-to-date lines, and have already arrived in Australia. The laboratory is divided into three sections, one dealing with chemistry, one particularly with metallurgy, and the third is a more general physical department. The whole forms an establishment designed particularly to deal with explosives and ammunition, but in addition to serve as a well-equipped physical laboratory, which will be available to undertake work for the armed forces of the Commonwealth.

When the laboratory has been completed it is proposed gradually to extend the plant for the manufacture of ammunition to meet the requirements of the Military, and it is here that the question arises as to what should be the policy with regard to the manufacture of ammunition for the Navy. Is it in fact desirable that advantage should be taken of the facilities which are beginning to exist for acceptance of ammunition into the service and the ability to manufacture consequent upon the existence of such facilities, for the manufacture of ammunition for the Navy, and, if so, to what extent?

The Naval Board consider that, so far as the needs of the Royal Australian Navy are concerned, it would be wise to encourage the manufacture of war material within the Commonwealth in strict accordance with Admiralty practice, in view of the necessity of reducing dependence on sea transit in time of war, but the general policy to be pursued will be influenced largely by the value attached by His Majesty's Naval advisers to the ability to manufacture munitions of war in Australia from the point of view of replenishing supplies of His Majesty's ships which may operate in Australian waters in the event of war.

Ministers desire therefore that the views of His Majesty's Government on this subject may be communicated for their information. Should these views show that the ability to manufacture in Australia would be a distinct advantage to the Royal Navy, the Government would be glad if an indication of the most useful line of development could be given, together with information as to whether, as a matter of general policy, His Majesty's Government would be disposed to lend to the Commonwealth Government, from time to time, one or more qualified members of the Admiralty Inspection Staff to ensure that manufacture and development are proceeding on the approved lines.

I have, &c.,

FORSTER.

Governor-General.

NEW ZEALAND.

Naval Defence (including Gift of H.M.S. "Chatham," Appointment of Officers to "Chatham" and "Philomel," and position of "Veronica.")

50840

No. 228.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.30 p.m., 1st September, 1919.)

TELEGRAM.

[Answered by No. 229.]

(Paraphrase.)

With reference to conversations and correspondence between Admiralty and your Prime Minister, Admiralty request they may be informed by cable whether, until supplies of oil fuel are available in New Zealand, coal-burning light cruiser is required as temporary measure. Vessel would be of "Bristol" class. In due course modern oil-burning cruiser would relieve her. If New Zealand Government would state what officers and men (if any) they would wish to take over from Imperial Navy with cruiser, it would also be of assistance.—MILNER.

57227

No. 229.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.5 p.m., 4th October, 1919.)

TELEGRAM.

[Answered by No. 231.]

(Paraphrase.)

SECRET. With reference to your telegram of 1st September,* Government of New Zealand, after consulting with, and acting on the advice of, Admiral Viscount Jellicoe, desires to have as a temporary measure a coal-burning light cruiser in place of H.M.S. "Canterbury," which is an oil-burner. My Government, however, now desires a light cruiser carrying 6-inch gun-armament, and not a vessel of the "Bristol" class. The Government further desires to take over with the vessel the whole complement of officers and men, and in this connexion it is understood that in the complement should be included any officers and men of New Zealand birth who volunteer for this service. The Government desire that the other conditions should stand as expressed in the correspondence between my Prime Minister and the Admiralty during the former's visit to England and Paris in connexion with Peace Conference, to the effect that it is intended that New Zealanders shall, as opportunity offers, replace the crew. With regard to your telegram of 20th September,† relative to the reduction of the fleet my Prime Minister is in communication with Lord Jellicoe, and the latter states that when he receives further information from the Admiralty he will communicate on the subject with my Prime Minister.—LIVERPOOL.

63308

No. 230.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE

(Received 4.55 p.m., 4th November, 1919.)

TELEGRAM.

[Answered by No. 231.]

(Paraphrase.)

My Prime Minister would be glad to receive reply to first portion of my telegram of 4th October,‡ relating to gift of a cruiser to this Dominion, and would be glad to learn with reference to that telegram whether Admiralty are yet in a position to state conditions of acquisition of vessels referred to in your telegram of 20th September.†—LIVERPOOL.

68000

No. 231.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 7.0 p.m., 1st December, 1919.)

TELEGRAM.

[Answered by No. 232.]

Your telegram 4th October, your telegram 4th November.§ Admiralty desirous of meeting to utmost possible extent wishes of your Government according offer H.M.S. "Chatham." Proposed that ship shall be handed over with complete permanent equipment as a free gift. Manned at expense of your Government whole cost of maintenance to be borne by New Zealand Government from date of her commissioning at port in United Kingdom for service under your Government, including expense of fuel and consumable stores required for consumption during voyage from England.

* No. 228.

† See No. 245.

‡ No. 229.

§ Nos. 229 and 230.

Position as to British naval personnel considerably changed since spring when Massey was in correspondence with Admiralty. Then suggested by Massey that ship should be manned in first instance by Admiralty, and British crew should be withdrawn gradually and places taken by New Zealanders as latter became available. As a result of reduction to peace basis now in progress there will be surplus British naval officers and men over naval requirements. This necessitates reduction in number of personnel, to facilitate which free discharge for classes and ratings in which there is surplus, and, within certain limits, of men wishing to leave Navy now in progress. Accordingly Admiralty will be unable to lend or second ratings for short period service with New Zealand naval force. Proposed, therefore, that complement of men for "Chatham" consist of men volunteering to be permanently transferred from British Navy and enrolled in New Zealand naval service, preference being given to men of New Zealand birth or connexion.

Same arrangement preferable regarding officers, but it may not be altogether impracticable to lend some officers for limited period.

On receipt of views of your Government Admiralty will call for volunteers for transfer at once, but it will be necessary to state rates of pay. Therefore requested that rates of pay, including allowances and conditions regarding pension or bonus to officers and men, may be communicated. Suggested for consideration volunteers, officers and men, might be more easily obtained in present circumstances if invited to volunteer for service on a short engagement, e.g., for period of three years at same rates of active pay and allowances, including separation allowances, as are granted in Royal Navy or Royal Australian Navy, whichever higher, plus deferred pay.

Necessary to call for volunteers at once, as surplus ratings at present existing, many of whom of best type, will disappear very soon in view of free discharges offered.

Admiralty therefore wish to state something definite in time to obtain volunteers from surplus.

Fully realized that New Zealand rates when finally settled must to some extent run parallel to Australian rates.

Recommended that Admiralty be authorized to inform men that if Australian rates raised, New Zealand rates when fixed will not be less. Unless your Government willing to make these promises cannot expect men to volunteer, as naturally men will go where paid most, and probably undesirable that Commonwealth and New Zealand Governments should be competing for services of men at different rates.

Considered that any officers whilst lent should receive as much as in New Zealand permanent naval force. Owing to recent increase in pensions of Imperial Navy, it is contemplated increasing annual sums payable to Admiralty by Dominion Governments in respect of ultimate pensions and position now being investigated.

Admiralty desire to learn at the earliest possible date whether above proposals acceptable to your Government. If, however, New Zealand Government unable to adopt proposals at once, as an alternative H.M.S. "Chatham" could be sent out to New Zealand waters as part of British Navy, being manned by Imperial officers and men, annual contribution based on estimate of cost of maintenance, paid by New Zealand Government, and actual movements and employment subject to wishes of New Zealand Government: cost of maintenance "Chatham" estimated at £172,000 a year.—SECRETARY OF STATE FOR THE COLONIES.

4718

No. 232.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.30 a.m., 26th January, 1920.)

TELEGRAM.

[Answered by No. 234.]

(Paraphrase.)

(1) My Government would like to be informed with reference to the proposal contained in your telegram 1st December,* that the complement of "Chatham" be permanently transferred from British Navy and enrolled in New Zealand Naval

* No. 231.

Service, to what extent they would be responsible for pensions of the ratings within a short period of completing time for pension. The Admiralty, it is presumed, would continue to be responsible for them, my Government contributing towards the cost.

(2) Would officers and men invited to volunteer for three years' service be discharged finally from Royal Navy before the transfer to the New Zealand Naval Service with the consequent option of discharge by the New Zealand Government to the shore either in Great Britain or New Zealand at the expiration of such term, or would they continue to be held by their Admiralty agreements and be required afterwards to return to the Royal Navy? The statement that the Admiralty will be unable to lend or second ratings for short periods of service is viewed with some concern by my Government, as this appears to be in conflict with Lord Jellicoe's proposals for a New Zealand division of the Royal Navy, vide paragraphs 2 and 3 of chapter 3 of Volume 1 of His Lordship's report, and paragraph 15 of his covering letter (No. P.187, of 3rd October, 1919), and seems to preclude the suggested policy from being adopted.—LIVERPOOL.

9780

No. 233.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.50 p.m., 23rd February, 1920.)

TELEGRAM.

[Answered by No. 234.]

(Paraphrase.)

My Prime Minister would appreciate reply to my telegram of 26th January* regarding pension rights, etc., of officers and men lent to the New Zealand naval forces, as the future naval policy of New Zealand is now under consideration.—LIVERPOOL.

11700

No. 234.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.5 p.m., 10th March, 1920.)

TELEGRAM.

(Paraphrase.)

REFERRING to your telegrams of 26th January and 23rd February,† H.M.S. "Chatham"; High Commissioner has conferred with Admiralty at suggestion of Admiralty, and has communicated with your Government by telegraph.—SECRETARY OF STATE FOR THE COLONIES.

13790

No. 235.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.0 a.m., 15th March, 1920.)

TELEGRAM.

14TH MARCH. Confidential. Following telegram dated 1st March has been received by my Prime Minister from High Commissioner for New Zealand: *Begins*: Attended Conference Admiralty 25th February regarding His Majesty's ship "Chatham," of which following is result. Volunteers for Naval Reserve under Government of New Zealand cannot be called for until terms to be offered are known. In order to prevent delay it is suggested that the terms should be the same as those of the Commonwealth Navy including any increases that may be contemplated in near future by Commonwealth. There are two categories under

* No. 232.

† Nos. 232 and 233.

which officers and men would volunteer: (1) Those who join permanently and are permanently transferred from British Navy. They would sign undertaking that they understand they forfeit all claim to British pension or gratuity but must know New Zealand alternative terms; (2) Those who are lent for a period of, say, three to five years, and for whom Government of New Zealand would pay certain pension liabilities to the British Government. Both these categories are allowed for in Commonwealth terms. As regards category (2) men will, on completion of period, either return to Navy or be discharged to shore as their engagements with British Navy require. In order to adjust the Imperial Naval Estimates the Admiralty would be obliged if the Government of New Zealand would let them know whether they propose to accept the number of officers and men required to man "Chatham" on New Zealand votes. May it be presumed it is preferred that ship should be known as H.M.S. "Chatham" rather than H.M.N.Z.S. "Chatham"? Latter alternative involves *inter alia* legislation which will take time. *Ends*.

Am desired by Prime Minister to send following reply for information of His Majesty's Government, and to ask you to forward a copy of same to the High Commissioner for New Zealand. *Begins*: In reply to telegram of 1st March from High Commissioner for New Zealand, volunteers for "Chatham" should be offered same terms as those offered by Government of Commonwealth of Australia. Ratings permanently transferred from British Navy will be required to volunteer for a period of three years and paid deferred pay at Commonwealth rates and passages under same conditions as Commonwealth are offering. Ranks and ratings lent to serve Government of New Zealand for three years with passages out and home if required, and this Government will pay pension liabilities. Government will accept officers and men required to man "Chatham" on New Zealand votes from date ship commissions. In this connexion please see telegram to Secretary of State for the Colonies dated 20th February.* Ranks and ratings would be required for "Philomel," numbers as yet uncertain, and it is desired as many as possible of these should take passage in "Chatham." Prefer ship should be styled H.M.S. "Chatham" for the present but eventually to be H.M.N.Z.S. A telegram is about to be sent to the Secretary of State for the Colonies in connexion with the appointment of a Commodore as Chief of Staff, a Captain for "Chatham," and a Commander for training ship. *Ends*.—LIVERPOOL.

19938

No. 236.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.0 p.m., 20th April, 1920.)

TELEGRAM.

20TH APRIL. Confidential. My telegram 14th March.† Following telegram dated 7th April has been received by my Prime Minister from High Commissioner for New Zealand. *Begins*: Confidential. In view of your request that personnel of "Chatham" and "Philomel" should not be more numerous than actually necessary Admiralty proposes for "Chatham" reduced complement of 198 with 130 additions for steaming at an economical speed, total 328. Proposed complement for "Philomel" reduced to 93 or 92 against 126 originally proposed. Admiralty desires to learn early whether these proposals considered suitable in order to obtain from Royal Navy the volunteers required to man above ship under conditions outlined in Governor-General's telegram to Colonial Office. *Ends*.

Following is reply of Prime Minister for information of His Majesty's Government. *Begins*: In reply to your telegram 7th April, you are informed that this Government concurs in the proposal of reduced complements of 328 for "Chatham" and 92 for "Philomel," and will be obliged if Admiralty will suggest a suitable date on which "Chatham" should be commissioned and taken over for New Zealand service. *Ends*.—LIVERPOOL.

* See No. 33.

† No. 235.

26964

No. 237.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.5 p.m., 1st June, 1920.)

TELEGRAM.

[Answered by No. 239.]

(Extract.)

1ST JUNE. Confidential. My telegram 14th March.* In connexion with Naval Defence policy, my Government, acting on advice of Lord Jellicoe, desire to secure the services of following officers:—One Captain Royal Navy with rank of Commodore, as Chief of Naval Staff; also one Paymaster-Lieutenant-Commander or Paymaster-Lieutenant, as Secretary, to be selected by officer appointed Chief of Naval Staff. The officers selected should, if possible, arrive in New Zealand prior to the arrival of H.M.S. "Chatham."—LIVERPOOL.

28336

No. 238.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.15 p.m., 8th June, 1920.)

TELEGRAM.

(Extract.)

8TH JUNE. Confidential. My telegram 20th April;† kindly communicate for information of my Ministers date "Chatham" will be commissioned for New Zealand Government service. Commander for "Philomel" will also be required to perform duties of Superintendent of Training under Chief of Naval Staff.‡—LIVERPOOL.

32464

No. 239.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.15 p.m., 6th July, 1920.)

TELEGRAM.

[Answered by No. 240.]

(Paraphrase.)

CONFIDENTIAL. Your telegram 1st June.§ Admiralty have been acting hitherto under impression that as some time must elapse before New Zealand Naval Force can attain dimensions recommended in Jellicoe's report, and as report has not been adopted in entirety, performance of functions of Naval Adviser, Commodore and Captain of "Chatham" by one officer would provide adequately for time being for administration of Naval Force. On assumption that he would act also as Naval Adviser they had accordingly selected Captain Allan G. Hotham for appointment to command "Chatham" and Commodore second class with effect from 24th May.|| Admiralty ready to meet your Government's wishes, but are of opinion that Commodore on shore superfluous until naval policy of Dominion further developed, which to some extent will depend on result of deliberations of Imperial Conference, see my despatch of 23rd February.¶ Anticipated that Conference will be held next year.—MILNER.

* No. 235.

† No. 236.

‡ For this post Commander J. G. Walsh was selected.

§ No. 237.

|| Subsequently corrected (by telegram of 6th August) to read "date of commissioning of 'Chatham'" (which was finally 1st October, 1920).

¶ No. 34.

38823

No. 240.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 12.24 p.m., 6th August, 1920.)

TELEGRAM.

[Answered by Nos. 241 and 242.]

(Paraphrase.)

6TH AUGUST. Referring to your telegram 6th July.* After careful consideration of question of appointment of the Commodore of the New Zealand(?) division as Naval Adviser, my Government is of opinion that it is essential that the Naval Adviser should be stationed on shore. From experience of the late Naval Adviser, Captain Hall Thompson, it was found to be impracticable for one officer to be in command of a ship and also to perform duties of Naval Adviser. Although desiring that effect should be given to proposals contained in my telegram 1st June,§ New Zealand Government does not directly wish to depart from Admiralty proposals, and as an alternative suggests an officer on Commodore's staff be appointed with office on shore to deal with administrative routine work and to act as a connecting link between Commodore and Government in the absence of the former at sea.—STOUT.

41067

No. 241.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.20 p.m., 20th August, 1920.)

TELEGRAM.

WITH reference to your telegram of 6th August,† Admiralty agree that officer should be appointed on Commodore's staff for duty on shore as indicated. Name of officer will be proposed later.—MILNER.

43297

No. 242.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4 p.m., 3rd September, 1920.)

TELEGRAM.

[Answered by No. 243.]

My telegram 20th August,‡ Naval staff. Admiralty suggests that Acting Captain Williams should, on arrival of Hotham, be placed on his staff to perform duties mentioned in your telegram of 6th August.†—MILNER.

46665

No. 243.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 4.30 p.m., 20th September, 1920.)

TELEGRAM.

20TH SEPTEMBER. Your telegram 3rd September.§ My Ministers are willing Commander Williams should receive appointment on Commodore's staff as Acting Captain, such appointment to be for not less than one year from arrival of Hotham. Williams agrees.—STOUT.

* No. 239.

† No. 240.

‡ No. 241.

§ No. 242.

50776

No. 244.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL

(Secret.)

MY LORD,

Downing Street, 21st October, 1920.

WITH reference to my telegram of the 6th of July,* and subsequent telegraphic correspondence, I have the honour to transmit to Your Excellency, for the information of your Ministers, a copy of a letter from the Admiralty to Commodore A. G. Hotham, C.M.G., R.N., H.M.S. "Chatham," defining his position as Commodore, New Zealand Station.

2. As regards the relations between H.M.S. "Chatham" and H.M.S. "Veronica," I would refer to my telegram of the 21st of September.†

I have &c.,

MILNER.

Enclosure in No. 244.

Admiralty, S.W., 13th October, 1920.

COMMODORE ALAN G. HOTHAM, C.M.G., R.N., H.M.S. "Chatham."

WITH reference to Admiralty letter C. W. of the 14th May, appointing you to be Commodore of the Second-Class in command of His Majesty's New Zealand Squadron, I am to acquaint you that your title in that command will be

"Commodore.

NEW ZEALAND STATION."

2. You will act as Senior Naval Officer of His Majesty's vessels on the New Zealand Station, and as Naval Adviser to the New Zealand Government.

3. You will have under your command H.M.S. "Veronica," which is a vessel under the orders of the Admiralty.

4. It has been proposed to the New Zealand Government that you should be responsible to the Admiralty in matters relating to H.M.S. "Veronica": that H.M.S. "Chatham" should be at the disposal of the New Zealand Government; and that you should arrange for H.M.S. "Chatham" to carry out the work of the Station as may be most convenient, as well as H.M.S. "Veronica." You will be informed as soon as possible of the decision on this question.

5. A copy of the Standing Orders (M.41272 of 16th April, 1920), which were issued to H.M.S. "Veronica," is attached for your information.

6. Commander T. A. Williams (Acting Captain), C.B.E., R.N., who has been acting as Naval Adviser to the New Zealand Government, at Wellington, has been appointed to your staff to deal with administrative routine work and to act as connecting link between you and the New Zealand Government during your absence at sea.

7. The District Intelligence Officer, Wellington, will be under your orders, but will remain on the books of H.M.S. "Tamar."

By Command of Their Lordships,

ALEX FLINT.

* No. 239.

† 46388. This telegram ran as follows:—Following arrangements for ships on New Zealand station are proposed by Admiralty:—*Begin*: H.M.S. "Veronica" is to be under the orders of the Commodore on the New Zealand station as Senior Naval Officer on the station, but Commodore is to be responsible to Admiralty so far as the "Veronica" is concerned. H.M.S. "Chatham" will be at the disposal of the New Zealand Government, but it is desirable that Commodore on New Zealand station should arrange for "Chatham" as well as "Veronica" to carry out the work of the station as may be convenient. If in future a second sloop should be sent to New Zealand she will be in the same position as the "Veronica." *Ends*.—MILNER.

567

OFFER OF WARSHIPS.

(1) General.

54236

No. 245.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
and THE GOVERNOR OF NEWFOUNDLAND.

(Sent 1.30 p.m., 20th September, 1919.)

TELEGRAM.

[Answered by Nos. 247, 254, 265, 278, 282, and 284.]

(Paraphrase.)

PLEASE inform your Ministers as follows: Steps are now being initiated by Admiralty to complete reduction of Fleet to peace basis and consequent reduction of personnel and disposal of surplus vessels. Question how many vessels will be required by Dominions is involved. Vessels concerned include battle cruisers, light cruisers, destroyers, submarines, minesweepers, sloops, patrol gunboats, motor launches, coastal motor boats, drifters, and trawlers. Decision as to total numbers required must, it is realized, wait decision on Lord Jellicoe's recommendations. But it would greatly assist Admiralty if such requirements as can be foreseen could be communicated at early date. It is anticipated that if the Dominions so desire both officers and men of the Royal Navy would volunteer in considerable numbers to man these vessels. Such notification is desired, specially as regards minesweepers, sloops, patrol gunboats, motor launches, drifters, and trawlers, since, owing to their rapid deterioration and the depreciation of the present market value whilst awaiting disposal, it is a matter of urgency that vessels of these classes surplus to Imperial requirements should be sold for commercial use.—MILNER.

65605

No. 246.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL and
THE GOVERNOR OF NEWFOUNDLAND.

(Sent 1.45 p.m., 5th December, 1919.)

TELEGRAM.

[Answered by Nos. 274, 283, and 284.]

5TH DECEMBER. My telegram of 20th September.* His Majesty's Government have now given Lords Commissioners of Admiralty discretion to offer surplus vessels of types referred to as gifts to Dominion Governments in cases where such vessels are needed to assist Dominions in development of their Naval forces. Admiralty regret that owing to present congestion and costs of maintenance they cannot undertake to reserve any vessels for which good opportunity of disposal occurs.—SECRETARY OF STATE FOR THE COLONIES.

* No. 245.

(2) Canada.

57971

No. 247.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.12 a.m., 9th October, 1919.)

TELEGRAM.

[Answered by No. 248.]

(Paraphrase.)

8TH OCTOBER. Referring to your telegram 20th September,* regarding reduction of Fleet to peace basis, my Ministers would be glad to learn classes of the various types of ships which the Admiralty have for disposal. As regards trawlers and drifters, such information is unnecessary, as these vessels are not required. Please reply by telegraph.—DEVONSHIRE.

60956

No. 248.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.45 p.m., 27th October, 1919.)

TELEGRAM.

27TH OCTOBER. Your telegram of 8th October.† Battleships available: "King Edward VII.," "Formidable," "Majestic" classes; large cruisers, "Monmouth," "Cressy," "King Alfred," "Edgar" classes; light cruisers, "Sentinel," "Topaze," "Boadicea," "Apollo," "Talbots," "Astræa," "Pelorus" classes, monitors, destroyers, torpedo-boats, "Flower" class sloops, convoy and other older sloops, P and PC boats, minelayers; miscellaneous vessels, including motor launches and motor boats also available, of which particulars can be telegraphed if desired.—MILNER.

61448

No. 249.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 5.45 p.m., 4th November, 1919.)

TELEGRAM.

4TH NOVEMBER. My telegram of 27th October.‡ Admiralty state following further types and number of ships available: battleships, "Dreadnought," 4; "Lord Nelson," 1; battle cruisers, "Inflexible," 2; cruisers, "Devonshire," 2; "Duke of Edinburgh," 1; "Minotaur," 1; light cruisers, "Bristol," 5.—MILNER.

73422

No. 250.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.25 a.m., 25th December, 1919.)

TELEGRAM.

[Answered by No. 251.]

(Paraphrase.)

23RD DECEMBER. Admiral Jellicoe has given advisers to understand that Admiralty are prepared to offer a number of various classes of warships to the Dominions as a gift. He states that application for vessels, which include a light cruiser of the "Bristol" type, a flotilla leader, four "M" class destroyers, eight "P.C." or "P" boats, and six "G" class submarines, must be made before 31st January, 1920. Is it possible for the Admiralty to extend the date of application for these vessels until 15th March, as the Canadian Parliament does not meet until 20th February, and approval of Parliament would be required for acquisition of the vessels named?—DEVONSHIRE.

* No. 245.

† No. 247.

‡ No. 248.

4954

No. 251.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.25 p.m., 30th January, 1920.)

TELEGRAM.

[Answered by No. 252.]

YOUR telegram 23rd December,* offer of warships. Admiralty agree to extension of date of application until 15th March.—SECRETARY OF STATE FOR THE COLONIES.

13774

No. 252.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.30 p.m., 13th March, 1920.)

TELEGRAM.

[Answered by No. 253.]

13TH MARCH. Your telegram 30th January;† offer of warships. My Ministers request extension of date to March 22nd.—DEVONSHIRE.

14416

No. 253.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.20 p.m., 18th March, 1920.)

TELEGRAM.

18TH MARCH. Your telegram of 13th March;‡ offer of warships. Admiralty agree to extension of date to 22nd March.—SECRETARY OF STATE FOR THE COLONIES.

15789

No. 254.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 7.15 p.m., 25th March, 1920.)

TELEGRAM.

[Answered by No. 255.]

(Paraphrase.)

25TH MARCH. Offer by Admiralty of vessels to Government of Canada. With reference to your telegram of 20th September,§ my Ministers represent that the Canadian Government are most grateful for Admiralty's offer of vessels for use in the Canadian Navy, and they will be glad to accept two destroyers and one light cruiser of the Bristol type. Details regarding officers and crews required will be communicated later, and Canadian officer to proceed to England to arrange transfer, choice of crews, etc. The Minister of Naval Service desires to obtain information as to the type of destroyer available.

* No. 250.

† No. 251.

‡ No. 252.

§ No. 245.

19556

No. 255.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.45 p.m., 23rd April, 1920.)

TELEGRAM.

[Answered by No. 256.]

23RD APRIL. Your telegram 25th March.* One Bristol class light cruiser, two "M" class destroyers available. Admiralty regret impossible to provide crews as no longer any surplus ratings seaman class and surplus other ranks and ratings rapidly dwindling. Possibly some volunteers could be obtained from men already discharged, but these now civilians and not under Admiralty control. Admiralty inquire on what date Canadian naval authorities propose to take over vessels.—MILNER.

23153

No. 256.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 10.35 p.m., 7th May, 1920.)

TELEGRAM.

(Paraphrase.)

7TH MAY. With reference to your telegram of the 23rd of April† respecting the offer of two "M" class destroyers and one "Bristol" class light cruiser. Captain Walter Hose is proceeding in about three weeks' time to England to take over the vessels from the Admiralty. The Canadian Government wish to renew their expression of appreciation of this gift from His Majesty's Government.

25755

No. 257.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 2.55 p.m., 26th May, 1920.)

TELEGRAM.

[Answered by No. 259.]

26TH MAY. My telegram 23rd April,† light cruiser "Glasgow," torpedo-boat destroyers "Patrician" and "Patriot" have been selected for presentation to Canada. All three vessels require refitting and docking. Lords Commissioners of Admiralty inquire whether your Ministers wish any such work undertaken at expense of Canadian Government at Royal Dockyards. Estimate of cost involved will be furnished as soon as possible.—MILNER.

26522

No. 258.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.15 a.m., 29th May, 1920.)

TELEGRAM.

(Paraphrase.)

28TH MAY. My telegram of 7th May.‡ High Commissioner for Canada in London is now authorized to take over formally the two destroyers and the light cruiser from Admiralty. Captain Walter Hose of the Royal Canadian Navy is proceeding to England to arrange with the Admiralty for the reconditioning, commissioning, and manning of the vessels after they have been taken over from His Majesty's Government.—DEVONSHIRE.

* No. 254.

† No. 255.

‡ No. 256.

29279

No. 259.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.30 a.m., 13th June, 1920.)

TELEGRAM.

[Answered by Nos. 260 and 261.]

12TH JUNE. Your telegram 26th May.* recent gift of ships by Admiralty. Government of Canada gratefully accept gift of torpedo-boat destroyers "Patrician" and "Patriot." They would be glad receive as soon as possible estimate of cost of refitting and docking of these destroyers, when their wishes in reference thereto will be communicated to you. With regard to light cruiser "Glasgow," Minister of Naval Service observes that this ship was constructed as far back as 1910, and is consequently in obsolescent class; for this reason Government of Canada trust that Admiralty may be able to spare more modern vessel and one better adapted to their requirements than is light cruiser "Glasgow"; oil-burner is especially desired.—DEVONSHIRE.

31861

No. 260.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 10.45 a.m., 1st July, 1920.)

TELEGRAM.

1ST JULY. Your telegram 12th June.† Admiralty will be glad to meet wishes of your Government as regards substitution of oil-burning cruiser for "Glasgow." Name of cruiser selected and information as to cost of refitting and docking of this vessel and two destroyers will be furnished as soon as possible.—MILNER.

35634

No. 261.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 1.10 p.m., 23rd July, 1920.)

TELEGRAM.

[Answered by No. 262.]

23RD JULY. Your telegram 12th June.‡ Estimated cost and time minimum work necessary for seaworthiness; "Patriot," £6,105; "Patrician," £5,792; both four weeks. Estimates for making vessels efficient fighting units: "Patriot," £7,321; "Patrician," £6,610; both five weeks. As soon as vessel is selected in place of "Glasgow" similar estimate will be obtained.—MILNER.

38434

No. 262.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.50 a.m., 4th August, 1920.)

TELEGRAM.

3RD AUGUST. Your telegram 23rd July.‡ "Patrician" and "Patriot." Minister of Naval Service approves of work necessary to make these vessels efficient fighting units being taken in hand.—DEVONSHIRE.

* No. 257.

† No. 259.

‡ No. 261.

38626

No. 263.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.30 a.m., 7th August, 1920.)

TELEGRAM.

[Answered by No. 264.]

7TH AUGUST. My telegram 1st July.* Admiralty have offered "Royalist" or "Aurora" in substitution for "Glasgow," whilst recommending "Aurora." Hose has been furnished with particulars and will be given facilities for inspection. —MILNER.

40761

No. 264.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.30 a.m., 17th August, 1920.)

TELEGRAM.

16TH AUGUST. Your telegram 7th August.† Government of Canada gratefully accepts "Aurora" in substitution for "Glasgow," and requests that there may be conveyed to Lords Commissioners of the Admiralty expression of Government of Canada's appreciation of their courtesy in substituting oil-burning ship to replace "Glasgow."—DEVONSHIRE.

(3) Commonwealth of Australia.

62470

No. 265.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.30 a.m., 30th October, 1919.)

TELEGRAM.

[Answered by No. 266.]

(Paraphrase.)

WITH reference to your telegram of 20th September.‡ For harbour defence Lord Jellicoe recommends that Australia should obtain 20 destroyers or P. boats, 10 submarines, 4 boom defence vessels, 82 minesweeping trawlers, and 4 tugs. Commonwealth Government will be glad if these vessels can be held until Government has opportunity to review position carefully and Lord Jellicoe's report, and confer with Empire partners in his proposed scheme.—FERGUSON.

66263

No. 266.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 1.30 p.m., 28th November, 1919.)

TELEGRAM.

[Answered by No. 268.]

28TH NOVEMBER. Your telegram of 30th October.§ Estimate asked for in my telegram of 20th September‡ was required in order to avoid necessity for retaining large number of vessels not required for naval services, many of which were urgently needed for commercial purposes, and Lords Commissioners of Admiralty regret that

* No. 260.

† No. 263.

‡ No. 245.

§ No. 265.

570

they cannot undertake to retain on suspension list so large a number as 120 vessels surplus to Admiralty requirements. Situation moreover already such that improbable that any trawlers or tugs will be available for disposal. Lords Commissioners of Admiralty accordingly again urge that your Ministers will put forward definite requirements at earliest possible date. Even with regard to destroyers and submarines, important that decision should be arrived at within three months in view of urgent necessity for relief of congestion at Naval ports here. Lords Commissioners of Admiralty state that boom defence vessels available have no motive power and consider that they could be more economically constructed in Australia.—MILNER.

68586

No. 267.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 270.]

(No. 451.)

SIR,

Downing Street, 9th December, 1919.

I HAVE the honour to transmit to Your Excellency, for the information of Your Ministers, the accompanying copy of a letter which has been sent by the Lords Commissioners of the Admiralty to the High Commissioner for the Commonwealth, on the subject of the gift of H.M.S. "Encounter" to the Commonwealth Government.

It is understood that the application in respect of the transfer of this vessel to the Australian Navy was made in the first instance by the High Commissioner direct to the Admiralty.

I have, &c.,
(For the Secretary of State),
L. S. AMERY.

Enclosure in No. 267.

SIR,

Admiralty, 1st December, 1919.

WITH reference to your letter of the 20th June, N.413, I am commanded by my Lords Commissioners of the Admiralty to acquaint you, for the information of the High Commissioner, that the Lords Commissioners of His Majesty's Treasury have approved of H.M.S. "Encounter" being transferred as a free gift to the Commonwealth of Australia.

It is desired that the guns and mountings and armament stores (other than torpedoes and paravanes) may be landed and taken on "Imperial" charge by the Naval Ordnance Officer, Sydney, pending decision as to their disposal. With regard to torpedoes and paravanes it is suggested that they should be landed and placed in charge of the Torpedo Engineer Officer, Sydney, for the time being. Except for these items and any consumable stores that may be the property of the Admiralty the vessel will be transferred as she stands.

I am, &c.,

The Official Secretary

for the Commonwealth of Australia,
Australia House, Strand, W.C.2

73523

No. 268.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.0 p.m., 25th December, 1919.)

TELEGRAM.

[Answered by No. 269.]

(Paraphrase.)

WITH reference to your telegram of 28th November,* offer of surplus war-ships. The Commonwealth Government hopes to be able to communicate its decision early in the New Year.—FERGUSON.

* No. 266.

4186

No. 269.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 12.45 p.m., 30th January, 1920.)

TELEGRAM.

[Answered by No. 272.]

My telegram 28th November, your telegram 25th December,* disposal of surplus vessels. Position now as follows: Lords Commissioners of Admiralty have for sale fifty-eight trawlers constructed during War in Canada now lying at Halifax, also eighty steam drifters. All above have been brought to notice of High Commissioner for Commonwealth. Very necessary that these vessels should be disposed of at earliest possible moment as important negotiations for sale are in train, and option for purchase has already been given on large number, and balance can only be disposed of at fair commercial price. Lords Commissioners of Admiralty again urge that your Ministers will put forward at earliest possible date concrete proposals for purchase of any vessels they may desire.—SECRETARY OF STATE FOR THE COLONIES.

20805

No. 270.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 24th April, 1920.)

[Answered by No. 271.]

(No. 76.)

My LORD, Governor-General's Office, Melbourne, 13th March, 1920.

REFERRING to your despatch No. 451, dated the 9th December, 1919,† on the subject of H.M.S. "Encounter," I have the honour to request that an expression of the thanks of the Commonwealth Government for the gift of this vessel be conveyed to the Lords Commissioners of the Admiralty.

As the "Encounter" is being used as a seagoing training ship for Cadet Midshipmen from the Royal Australian Naval College, and for boys, my Ministers would be glad if approval could be given for three guns to be left on board for training the cadets, and also two torpedo tubes with torpedoes and equipment for same.

I have, &c.,

R. M. FERGUSON,
Governor-General.

29197

No. 271.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 273.]

(No. 230.)

SIR, Downing Street, 19th June, 1920.

I HAVE the honour to acknowledge the receipt of Your Excellency's despatch, No. 76, of the 13th March, 1920,‡ on the subject of the gift of H.M.S. "Encounter" to the Commonwealth Government, and to state, for the information of Your Ministers, that the Lords Commissioners of the Admiralty are pleased to agree to the proposal that three guns should be left on board the vessel, together with torpedo tubes and torpedoes and equipment for the same.

Their lordships state, in addition, that the three six-inch guns and mountings in question, and the nine eighteen-inch Mark V.H.B. torpedoes and stores carried by H.M.S. "Encounter," will be transferred to the Commonwealth Government as a free gift.

I have, &c.,

MILNER.

* Nos. 260 and 268.

† No. 267.

‡ No. 270.

81857

No. 272.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 1.35 p.m., 28th June, 1920.)

TELEGRAM.

28TH JUNE. With reference to your telegrams of 30th January,* and 12th May,† surplus trawlers. Government of Commonwealth of Australia unable to take advantage of offer, and much regret delay in replying.—MUNRO FERGUSON.

47455

No. 273.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 25th September, 1920.)

(No. 286.)

Commonwealth of Australia,

My LORD, Governor-General's Office, Melbourne, 17th August, 1920.

WITH reference to your despatch No. 230, dated the 19th June, 1920,‡ intimating that the Lords Commissioners of the Admiralty had been pleased to agree to the proposal that three guns should be left on board H.M.S. "Encounter," together with torpedo tubes and torpedoes and equipment for the same, I have the honour, at the instance of my Prime Minister, to request that the thanks of the Commonwealth Government may be conveyed to the Lords Commissioners for the gift of the three guns and mountings.

I desire to state, however, that the nine eighteen-inch torpedoes and their stores are already the property of the Commonwealth, having been purchased from the Admiralty in 1913.

I have, &c.,

R. M. FERGUSON,
Governor-General.

(4) New Zealand. §

73524

No. 274.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.0 a.m., 26th December, 1919.)

TELEGRAM.

[Answered by No. 276.]

(Paraphrase.)

26TH DECEMBER. My Government, following the advice of Lord Jellicoe, wish to acquire eight "P.C." class torpedo craft and six "E" class submarines from the

* No. 269.

† 23972: reminder, not printed.

‡ No. 271.

§ See also section headed

"New Zealand—Naval Defence" (p. 123.)

Admiralty of a date later than 1914. It is requested, as New Zealand is not yet ready to take over these vessels, that they may be retained at any of the home dock-yards or ports with a maintenance and care party of sufficient ratings and ranks to keep them in a state of efficiency until required, the cost of their upkeep, wages of crew, etc., being borne by the Government of New Zealand. It is understood that H.M.S. "Chatham" has been earmarked for New Zealand, and it is requested if this is so that a suitable date be suggested from which the vessel should be taken over.

The above is in reply to your telegram of 5th December,* and is based on the assumption that vessels are intended as gifts to the Government of New Zealand. Please confirm this.—LIVERPOOL.

73453

No. 275.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.35 a.m., 29th December, 1919.)

TELEGRAM.

(Paraphrase.)

In connexion with my telegram of 26th December† regarding ships, please take no action pending further consideration by my Government of your telegram of 1st December‡ with reference to H.M.S. "Chatham." At their first meeting in the New Year Cabinet expects to arrive at a definite decision in the matter.—LIVERPOOL.

13101

No. 276.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 7.25 p.m., 15th March, 1920.)

TELEGRAM.

[Answered by No. 277.]

(Paraphrase.)

Lord Commissioners of the Admiralty ask whether application in your telegram, 26th December,† for six submarines and eight "P.C." boats to be kept in reserve at expense of New Zealand Government is cancelled by decision in your telegram, secret, of 20th February,§ as to naval policy. Please reply by telegraph. SECRETARY OF STATE FOR THE COLONIES.

15602

No. 277.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.30 p.m., 24th March, 1920.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram of 15th March.|| My telegram of 29th December¶ asked that action on my telegram of 26th December† should not be taken. My Ministers do not at present wish to acquire the P.C., submarines and boats referred to.—LIVERPOOL.

* No. 240. † No. 274. ‡ See No. 281. § See No. 33. || No. 276. ¶ No. 275.

17037

No. 278.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.40 a.m., 1st April, 1920.)

TELEGRAM.

[Answered by No. 280.]

(Paraphrase.)

REFERRING to your telegram 20th September* as to reduction of the Fleet, my Ministers desire to acquire the following for instructional purposes:—One four-inch, Mark IV., one six-inch, Mark VII., and two twelve-pounder q.f. guns, with their respective mountings, loaders and two laying teachers, one modern searchlight, and one type sixteen C.W. wireless set for "Philomel" as recommended in Lord Jellicoe's report. It is hoped by my Ministers that Imperial Government may see its way to presenting these item(s) as a gift from ships not required for post-War service. If this is so they would much appreciate their being sent to New Zealand as soon as possible. "Philomel" has already commenced refitting for service as a training ship.—LIVERPOOL.

44209

No. 279.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 10.58 a.m., 4th September, 1920.)

TELEGRAM.

[Answered by No. 280.]

(Paraphrase.)

My telegram 1st April,† relating to wireless set, guns, and searchlight for "Philomel," Ministers would appreciate a reply.—STOUT.

45258

No. 280.

THE SECRETARY OF STATE to THE ADMINISTRATOR.

(Sent 12.30 p.m., 11th September, 1920.)

TELEGRAM.

[Answered by No. 281.]

(Paraphrase.)

REFERRING to your telegrams of 1st April and 4th September,‡ Lords Commissioners of Admiralty state that they have obtained Treasury approval for free gift of guns, mountings, and stores valued at £8,170, as detailed hereunder, on understanding that gear will be considered as available as reserve for armed merchant cruisers.

Begins: One four-inch Q.F. gun, Mark IV.; one four-inch P. IX. mounting; one six-inch B.L. gun, Mark VII.; one six-inch P. III. U.D. mounting; two twelve-pounder guns, twelve hundredweight Q.F., Mark I. or II.; two twelve-pounder P. IX. mountings. All above complete with spare parts, aiming rifles, side arms, et cetera. Also following instructional appliances: loading teachers, one six-inch and one twelve-pounder; laying teacher, one four-inch P. IX.; deflection teachers, one six-inch and one twelve-pounder. Also following stores: Type 16 wireless telegraph set and thirty-six-inch searchlight complete. *Ends.*

Admiralty request to be notified of address to which gear should be consigned.—MILNER.

* No. 245.

† No. 278.

‡ Nos. 278 and 279.

47671

No. 281.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 5.0 a.m., 25th September, 1920.)

TELEGRAM.

(Paraphrase.)

WITH regard to your telegram September 11th.* My Ministers have much pleasure in accepting the offer of the guns, mountings, etc. They will consider each item as available for armed merchant cruisers. All material should be consigned to the Commanding Officer of H.M.S. "Philomel," at Wellington.—STOUT.

(5) Union of South Africa.

60022

No. 282.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.25 p.m., 19th October, 1919.)

TELEGRAM.

17TH OCTOBER. Your telegram 20th September.† Ministers cannot give any indication of the possible naval requirements of Union of South Africa till they have had full discussion with Lord Jellicoe during his visit next year.—BUXTON.

Note.—As regards the postponement of Lord Jellicoe's visit see section headed "Naval Defence (Resolution IV of Imperial War Conference, 1917)." (p. 10.)

3783

No. 283.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 22nd January, 1920.)

(No. 931.)

MY LORD, Governor-General's Office, Pretoria, 24th December, 1919.

WITH reference to your telegram of the 5th December,‡ communicating an offer to the Dominion Government of surplus war vessels, if needed, to assist in the development of their naval forces, I have the honour to transmit the accompanying copy of a minute from my Ministers.

I have, &c.,

BUXTON,
Governor-General.

Enclosure in No. 283.

(Minute 1769.)

Prime Minister's Office, Pretoria, 18th December, 1919.

MINISTERS have the honour to state with reference to His Excellency the Governor-General's minute 2/1927, of 8th December, 1919, that it will be quite impracticable for the Union Government to consider the question of availing itself of the generous offer of His Majesty's Government contained in the Secretary of State's telegram of 5th December, 1919, until Ministers have had the opportunity of consulting Admiral Lord Jellicoe.

* No. 280.

† No. 245.

‡ No. 246.

His Majesty's Government is, no doubt, aware that the Union Government possess no war vessels of any description at present, and the question of acquiring any such vessels is therefore one which involves, so far as concerns the Union of South Africa, the whole and difficult problem of naval defences and cannot be dealt with until that problem has been fully considered in consultation with His Majesty's Government.

J. C. SMUTS.

Note.—For further correspondence on this subject see section headed "Union of South Africa: Naval Defence." (p. 149.)

(6) Newfoundland.

3997

No. 284.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 23rd January, 1920.)

(No. 7.)

SIR, Government House, St. John's, 12th January, 1920.

I HAVE the honour to acknowledge receipt of your telegrams of the 20th September and 5th ultimo* regarding the disposal of surplus war vessels by the Admiralty, and to inform you that on receipt of your telegram of the 20th September, the matter was referred by Ministers to the High Commissioner for Newfoundland in London, with a request that he would consult with the Admiralty and the Secretary of State on the matter; and report if there was anything likely to be of use to this Government.

I have, &c.,

C. ALEXANDER HARRIS.

Note.—Subsequently H.M.S. "Lobelia" was presented by His Majesty's Government to the Newfoundland Government (for later correspondence as to this vessel see Gov./44996/20 Newfoundland) and H.M.S. "Watchful" was sold to the Newfoundland Government for £15,000 (24453/20).

OFFER OF MINES AND SINKERS.

64689

No. 285.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 6.45 p.m., 14th November, 1919.)

TELEGRAM.

[Answered by Nos. 286, 287, and 288.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Paraphrase.)

ADMIRALTY state in connexion with naval defence arrangements that they have 10,000 filled "H" mines and sinkers in all available for disposal, and that, subject to cost of transport being paid by Government concerned, they are prepared to present them to Canadian, Australian, and New Zealand Governments. Admiralty state that if not required by Dominion Governments mines will be

* Nos. 245 and 246.

destroyed, as no permanent storage is available in United Kingdom. Hence offer conditional on shipment taking place within six months. Admiralty point out further that, (1) isolated storage accommodation will be needed with rail connexions; (2) periodical examination necessary in hot climates in order to avoid excessive sweating, as mines filled with amatol.

Please telegraph as soon as possible how many of above mines and sinkers your Ministers would wish to have. Other Dominions named are receiving similar telegrams.—MILNER.

72864

No. 286.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.50 a.m., 23rd December, 1919.)

TELEGRAM.

(Paraphrase.)

22ND DECEMBER. With reference to your telegram of 14th November,* Naval Service Department do not at the present time desire to avail themselves of the kind offer of mines and sinkers of Admiralty.—DEVONSHIRE.

6583

No. 287.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.16 a.m., 6th February, 1920.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram of 14th November,* my Government asks me to state that while they highly appreciate His Majesty's Government's offer of mines and sinkers, they have decided not to acquire any "H" mines.—LIVERPOOL.

8014

No. 288.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.15 a.m., 13th February, 1920.)

TELEGRAM.

13TH FEBRUARY. Your telegram 14th November,* your telegram 2nd February;† Commonwealth Government will be glad to accept 2,000 mines, and desire thank Admiralty for generous gift.—MUNRO-FERGUSON.

* No. 285.

† 5581: reminder.

OFFER OF SUBMARINES, 1919.

3327

No. 289.

CANADA.

LORD MILNER to SIR R. BORDEN (PRIME MINISTER).

[Answered by Nos. 293 and 295.]

MY DEAR SIR ROBERT BORDEN,

Downing Street, 24th January, 1919.

I HAVE just learned from the Admiralty that they propose to offer as a gift to the Canadian naval forces two submarines now at Bermuda. The Admiralty trust that this gift will be accepted as some recognition of the great contribution made to the defence of the Empire by the Canadian naval forces in the course of the War. I should be grateful if you would let me know as soon as possible whether you would wish to accept this offer on behalf of the Canadian Government.

Yours, &c.,

MILNER.

3327

No. 290.

COMMONWEALTH OF AUSTRALIA.

LORD MILNER to MR. W. M. HUGHES (PRIME MINISTER.)

[Answered by No. 294.]

MY DEAR MR. HUGHES,

Downing Street, 24th January, 1919.

I HAVE just learned from the Admiralty that they propose to offer as a gift to the Royal Australian Navy six modern destroyers and a flotilla of six submarines. The Admiralty trust that this gift will be accepted as some recognition of the intimate co-operation of the Royal Australian Navy with the Royal Navy throughout the War, and of the readiness with which the Commonwealth Government has acceded to every Admiralty request as to the employment of Australian naval forces.

I should be grateful if you would let me know as soon as possible whether you would wish to accept this offer on behalf of the Commonwealth Government.

Yours, &c.,

MILNER.

3327

No. 291.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 299.]

(No. 36.)

MY LORD DUKE,

Downing Street, 28th January, 1919.

I HAVE the honour to request Your Excellency to inform your Ministers that the Lords Commissioners of the Admiralty have offered as a gift to the Canadian naval forces two submarines now at Bermuda. The Lords Commissioners trust that this gift will be accepted as some recognition of the great contribution made to the defence of the Empire by the Canadian naval forces in the course of the War.

2. I am asking Sir R. Borden whether he wishes to accept the offer on behalf of the Canadian Government.

I have, &c.,

MILNER.

3327

No. 292.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 300.]

(No. 40.)

SIR,

Downing Street, 28th January, 1919.

I HAVE the honour to request Your Excellency to inform your Ministers that the Lords Commissioners of the Admiralty have offered as a gift to the Royal Australian Navy six modern destroyers and a flotilla of six submarines. The Lords Commissioners trust that this gift will be accepted as some recognition of the intimate co-operation of the Royal Australian Navy with the Royal Navy throughout the War, and of the readiness with which the Commonwealth Government has acceded to every Admiralty request as to the employment of the Australian naval forces.

2. I am asking Mr. Hughes* whether he wishes to accept the offer on behalf of the Commonwealth Government.

I have, &c.,
MILNER.

6740

No. 293.

CANADA.

SIR ROBERT BORDEN (PRIME MINISTER) to LORD MILNER.

(Received 1.41 p.m., 31st January, 1919.)

TELEGRAM.

CANADIAN Government will accept with deep appreciation Admiralty's proposed gift of two submarines.—BORDEN.

6837

No. 294.

COMMONWEALTH OF AUSTRALIA.

MR. W.M. HUGHES (PRIME MINISTER) to LORD MILNER.

(Received 1st February, 1919.)

MY DEAR LORD MILNER,

Hotel Majestic, Paris, 28th January, 1919.

I HAVE your letter of the 24th instant,* intimating that the Admiralty propose to offer as a gift to the Royal Australian Navy six modern destroyers and a flotilla of six submarines.

I am communicating this generous offer to my Government in Australia, and meantime wish to express the greatest appreciation of the spirit which prompted this gift.

Sincerely yours,
W. M. HUGHES.

7254

No. 295.

CANADA.

SIR R. BORDEN (PRIME MINISTER) to LORD MILNER.

(Received 3rd February, 1919.)

MY DEAR LORD MILNER,

Hotel Majestic, Paris, 31st January, 1919.

IN reply to your letter of 24th instant,† I beg you to assure the Admiralty that the Canadian Government will accept with greatest appreciation the gift of

* No. 290. † No. 299.

the two submarines at Bermuda, which will be a very useful addition to the nucleus of naval forces now possessed by Canada. This morning I telegraphed to you my acceptance and enclose copy of the message.

Yours faithfully,
R. L. BORDEN.

6837

No. 296.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.15 a.m., 7th February, 1919.)

TELEGRAM.

[Answered by No. 299.]

(Paraphrase.)

My despatch of 28th January, No. 36.* On behalf of Canadian Government Borden has accepted offer of submarines.—MILNER.

6837

No. 297.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.20 a.m., 7th February, 1919.)

TELEGRAM.

[Answered by No. 300.]

(Paraphrase.)

AS some recognition of its intimate co-operation with Royal Navy throughout War, Lords Commissioners of Admiralty have offered six modern destroyers and flotilla six submarines as gift to Royal Australian Navy. See my despatch 28th January, No. 40.†

Have consulted Hughes, and understand he is in communication with Commonwealth Government in the matter.—MILNER.

8808

No. 298.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 5.20 p.m., 14th February, 1919.)

TELEGRAM.

[Answered by No. 300.]

(Paraphrase.)

REFERRING to my telegram 7th February,‡ destroyers and submarines, Lords Commissioners of Admiralty anxious to learn whether Commonwealth Government accept offer.—MILNER.

* No. 291. † No. 292. ‡ No. 297.

10472

No. 299.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 3.25 p.m., 16th February, 1919.)

TELEGRAM.

[Answered by No. 301.]

15TH FEBRUARY. Your despatch 28th January, No. 36.* Government of Canada has learned with much pleasure of the acceptance by Sir Robert Borden, in pursuance of its understanding with him, of the submarines referred to in above despatch, and begs to express its appreciation of action of the Lords Commissioners of Admiralty in that recognition of contribution made to defence of Empire by the Canadian naval force in course of War.—DEVONSHIRE.

11288

No. 300.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.30 a.m. 20th February, 1919.)

TELEGRAM.

[Answered by No. 302.]

WITH reference to your telegram 7th February,† Government expresses keen appreciation of mark of recognition of co-operation of Royal Australian Navy with Royal Navy throughout the War, and gratefully accepts your Admiralty's offer of destroyers and submarines.—FERGUSON.

6837

No. 301.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 63.)

MY LORD DUKE,

Downing Street, 20th February, 1919.

WITH reference to my despatch No. 36, of the 28th January, and your telegram of the 16th February,‡ I have the honour to transmit to Your Excellency, for the information of your Ministers, a copy of a letter§ which I have received from Sir Robert Borden regarding the gift by the Lords Commissioners of the Admiralty of two submarines to the Canadian naval forces.

I have, &c.,

MILNER.

12458

No. 302.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 4.5 p.m., 1st March, 1919.)

TELEGRAM.

Your telegram of 20th February.|| Following vessels will be presented Royal Australian Navy:—Flotilla leader "Anzac"; destroyers, "S" class, "Tasmania," "Tattoo," "Swordsman," "Success," "Stalwart"; submarines, "J 1," "J 2," "J 3," "J 4," "J 5," "J 7." Understood your Government desired Flotilla leader "Anzac" to be substituted for a destroyer.—MILNER.

* No. 291.

† No. 297.

‡ Nos. 291 and 299.

§ No. 295.

|| No. 300

576

UNION OF SOUTH AFRICA.

Naval Defence.

32163

No. 303.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5.14 p.m., 30th June, 1920.)

TELEGRAM.

[Answered by No. 305.]

29TH JUNE. Ministers are considering questions of increasing strength of South African Division R.N.V.R. by four companies. In this connexion they refer to minute enclosed with my despatch 24th December last, No. 931,* and consider that pending opportunity of obtaining Admiralty views on naval defence of South African waters something might be done to provide for mine-sweeping. They inquire whether Admiralty could place at their disposal from two up to twelve vessels which could be used when required for mine-sweeping, but normally could be used for trawling or whaling, or for investigation and research in connexion with development of fishing industries. Despatch follows by mail.—BUXTON.

36441

No. 304.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 23rd July, 1920.)

[Answered by No. 305.]

(No. 420.)

MY LORD,

Governor-General's Office, Capetown, 29th June, 1920.

IN confirmation of my telegram of the 29th June,† I have the honour to transmit to Your Lordship the accompanying copy of a minute from my Ministers regarding a proposed increase in the strength of the South African Division of the Royal Naval Volunteer Reserve and provision for mine-sweeping in South African waters.

2. The South African Division of the Royal Naval Volunteer Reserve was established under the provisions of section 22 of the South Africa Defence Act, 1912, to which effect was given by an Order of His Majesty in Council dated the 7th March, 1913, of which copies accompanied Mr. (now Viscount) Harcourt's despatch No. 125 of the 20th March, 1913.‡ I understand that the Division did very excellent work during the War.

3. The minute of the 18th December, 1919, regarding surplus war vessels, to which my Ministers refer, was communicated to Your Lordship with my despatch No. 931 of the 24th December.*

4. In regard to research work in connexion with the development of fishing industries, I may refer to the correspondence on the subject of the loan of the whaler "Pickle" for this work—my despatch No. 16 of the 16th January, 1920,§ and connected correspondence. It is stated that the investigations carried out by the aid of this vessel have already yielded notable results.

I have, &c.,

BUXTON,

Governor-General.

* No. 283.

† No. 303.

‡ 9063: not printed.

§ 7530. This and the connected

correspondence deals with the "Pickle" (which was a naval prize) and its use for fisheries survey and marine biological research.

Enclosure in No. 304.

MINUTE 632.

Prime Minister's Office, Capetown, 18th June, 1920.

MINISTERS have the honour to inform His Excellency the Governor-General that they have had under consideration the question of increasing the strength of the South African Division of the Royal Naval Volunteer Reserve, and contemplate the addition of one company each to the existing two companies at Capetown and one at Durban, and further the establishment of two new companies, one at Port Elizabeth and one at East London. Ministers would be glad to have the views of the Lords Commissioners of the Admiralty on this suggestion. It commends itself to them as likely to be useful in view of the proof of the utility of the Division at its present strength, which has been demonstrated so signally since the Division was established in July, 1913.

2. As a further step towards the development of naval assistance and co-operation as the resources of the Union permit, Ministers contemplate that provision might be made for mine-sweeping in South African waters.

In their minute 1769 of 18th December, 1919, Ministers stated that they were not in a position to consider the question of availing themselves of the generous offer of His Majesty's Government to place surplus war vessels at the disposal of the Union for naval purposes until they had had the opportunity of consulting Admiral Lord Jellicoe, but seeing that further delay is likely to occur before the Union Government can obtain a considered statement of the Admiralty's views on the subject of local naval defence in South African waters, Ministers consider that something might advantageously be done in the meantime to provide for mine-sweeping.

3. Ministers would be glad therefore to know whether the Admiralty could place at their disposal from two up to twelve vessels which could be used when required for mine-sweeping, but normally could be used for trawling or whaling, or for investigation and research work in connexion with the development of fishing industries. Two vessels could almost certainly be used continuously to great advantage for the last-named purpose. Were such vessels available, Ministers would be glad to consider and in conjunction with the Admiral Commanding Africa Station prepare a scheme for obtaining and training crews for mine-sweeping. This might possibly be done as a further extension and development of the Royal Naval Volunteer Reserve organization, but in any case it would necessarily have to be carried out in the closest co-operation with the Africa Squadron of the Royal Navy based on Simonstown.

J. C. SMUTS.

51549

No. 305.

THE SECRETARY OF STATE to THE ACTING GOVERNOR-GENERAL.

(Confidential)

SIR,

Downing Street, 28th October, 1920.

WITH reference to Viscount Buxton's telegram of the 29th June, and to his despatch No. 420 of the same date,* transmitting a copy of a minute from Ministers regarding the proposed increase in the strength of the South African Division of the Royal Naval Volunteer Reserve, and provision for minesweeping in South African waters, I have the honour to state, for the information of Your Excellency's Ministers, that the Lords Commissioners of the Admiralty consider it to be a matter of high importance to the Empire that all steps should be taken to develop the reserve forces in the Dominions, and they therefore welcome the proposed increase in the South African Royal Naval Volunteer Reserve. The future peace training and development of the Reserves generally are now engaging their Lordships' attention, and it is hoped shortly to forward a copy of the approved scheme, so that the South African Royal Naval Reserve may be developed and trained on similar lines to those which experience has shown to be most suitable and necessary.

2. Their Lordships are at present considering various schemes for the control of mercantile traffic in time of war, the establishment of temporary bases in time

* Nos. 303 and 304.

of war, the arming and commissioning of vessels for convoy protection, and the organization of mine-sweeping and boom defence services, which they hope in due course to communicate to the Dominion Governments.

3. The proposed increase in the strength of the South African Royal Naval Volunteer Reserve will much facilitate the completion of these schemes, which the experience of the late War has shown to be a necessary part of the Imperial Naval War organization. In view of the varied requirements specified in the foregoing paragraph, their Lordships would be glad to learn, in due course, what classes of officers and men it is proposed to include in the increased South African Royal Naval Volunteer Reserve, and also the extent of their proposed training and availability for rapid mobilization.

4. With regard to the request of the Union Government for certain vessels in connexion with the development of the South African Division of the Royal Naval Volunteer Reserve, the Lords Commissioners of the Admiralty state that they are not authorized to transfer vessels having a commercial value as a free gift for use for commercial purposes. They are, however, prepared to offer to the Union Government vessels of the following classes, as and where they lie, at the prices stated, subject to the ships being available for disposal at any given date:—

- (a) Sloops (Flower Class), £20,000 each.
- (b) Sloops ("24" Class), £20,000 each.
- (c) Paddle Minesweepers (Ascot Class), £20,000 each.
- (d) Twin Screw Minesweepers (Hunt Class), £20,000 each.
- (e) Trawlers (steel), 125 feet, Canadian built; not fitted with fishholds, etc., £10,000 each.
- (f) Drifters (wood), 84 feet, Canadian built, not fitted with fishholds, etc., £4,000 each.

5. The prices quoted for trawlers and drifters are for sale where they lie in Canada, and would be subject to revision if the vessels have been brought to England, by the addition of an amount to cover the cost of voyage and of any work done on the vessels. Steps are being taken to remove them to England before the coming winter.

6. The Lords Commissioners of the Admiralty add that they have power to transfer war vessels, including vessels of the types mentioned above, free of charge if they can be employed entirely for Naval purposes. For example, should the Union Government desire vessels of convenient type to form a permanent mine-sweeping school for any fleet of commercial trawlers which they may acquire, they will be glad to advise on the best type available, and to hand over the vessels chosen.

I have, &c.,

MILNER.

CO 886/8/10

Dominions

No. 73.

CONFIDENTIAL.

CORRESPONDENCE

[1919, 1920, and 1921]

RELATING TO THE

IMPERIAL CONFERENCE, 1911, IMPERIAL WAR CONFERENCES OF 1917 AND 1918, AND THE IMPERIAL MEETINGS, 1921.

(In continuation of Dominions No. 61: continued by Dominions No. 83.)

February, 1923

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CORRESPONDENCE ARISING OUT OF THE RESOLUTIONS OF THE IMPERIAL CONFERENCE, 1911.

RESOLUTION I.: CONSULTATION OF DOMINIONS AS TO INTERNATIONAL AGREEMENTS AFFECTING THEM.

(For continuance of the correspondence arising out of this Resolution see Dominions 75).

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
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RESOLUTION VIII.: PROVISION FOR DESERTED WIVES AND CHILDREN.

1919					
1	Local Government Board	—	February 11	Sees no objection to the Maintenance Orders (Facilities for Enforcement) Bill being proceeded with.	2
2	To Home Office, Local Government Board for Scotland, and Local Government Board for Ireland.	—	March 7	Transmits copy of correspondence with the local Government Board relative to the Maintenance Orders (Facilities for Enforcement) Bill, and inquires whether there is any objection to steps being taken to proceed with the Bill.	2
3	Local Government Board for Scotland	—	March 17	States that the Board have no objections to steps being taken to proceed with the Maintenance Orders (Facilities for Enforcement) Bill.	3
4	Local Government Board for Ireland	—	March 18	Ditto.	3
5	Home Office	—	March 23	Has no objection to the introduction of the Maintenance Orders (Facilities for Enforcement) Bill.	3
6	To Local Government Board	—	April 11	Transmits copies of correspondence relating to the Maintenance Orders (Facilities for Enforcement) Bill, and requests that steps may be taken to introduce the Bill into Parliament.	4
7	To Local Government Board for Scotland	—	April 11	Transmits copies of No. 47 in Dominions No. 51, and of No. 6 in this Volume, and presumes that Clause 11 of the Bill in its present form is in accordance with the wishes of the Board.	4
8	Local Government Board	—	May 5	Suggests, in reply to No. 6, that, for reasons stated, the Home Secretary might be asked to introduce and take charge of the Bill.	5
9	Local Government Board for Scotland	—	June 7	States that Clause 11 of the draft Bill appears to be quite satisfactory.	5
10	Scottish Office ...	—	July 23	Submits observations upon Clauses 3, 4 (1) and 6 (1) of the Bill.	5

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
11	The Governor-General	Canada 572	July 12 (Rec. July 28)	Transmits copies of various despatches setting forth the views of the several Provincial Governments of Canada respecting the draft Bill.	6
12	To the Ministry of Health	—	August 13	Transmits copy of No. 10, and asks how expenses incurred from the operation of Clauses 4 (1) and 6 (1) of the draft Bill therein referred to would be met in England.	12
13	Ministry of Health	—	August 28	States that the adequacy of the Bill referred to in No. 12 as affecting courts of summary jurisdiction is a matter for the Home Office; but it would appear that some provision as to expense may be required.	19
14	To Home Office ...	—	September 17	Transmits copies of Nos. 8, 10, 12 and 13, together with copy of the Bill and of a Memorandum by the Parliamentary Council, and requests observations.	18
15	Home Office ...	—	October 3	States, in reply to No. 14, that it would be difficult to justify expenditure of public moneys for enforcing private claims made by persons living outside England, and does not think it necessary to make special provision for costs; suggests amendment of Clause 10, so as not to include affiliation orders.	14
16	To Home Office ...	—	October 30	In view of definition of "maintenance order" and "dependent," considers that Bill referred to in No. 15 applies to affiliation orders, but not to provisional affiliation orders; but, if it is desired to exclude both these orders, no objection will be offered to an amendment of Clause 10.	14
17	To Scottish Office ...	—	October 30	Transmits copies of Nos. 15 and 16, and requests that specific proposals for amendments of the draft Bill be submitted not later than 17th November.	15
18	Home Office ...	—	November 18	Considers that, for reasons stated, words should be introduced into the Maintenance Order (Facilities for Enforcement) Bill to make it quite clear that affiliation orders are not within its scope.	15
19	To Home Office ...	—	December 1	Proposes to amend the draft Bill as suggested in No. 18.	16
20	To Scottish Office ...	—	December 1	Requests reply to No. 17, and transmits copies of Nos. 18 and 19, as to the scope of the Bill.	16
21	Scottish Office ...	—	December 9	For reasons stated, is reluctantly inclined to the conclusion that the Maintenance Orders (Facilities for Enforcement) Bill should not apply to Scotland, but before arriving at definite decision suggests discussion at an inter-departmental Conference.	16

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
22	To Scottish Office ...	—	December 15	States, in reply to No. 21, that it appears doubtful whether any useful purpose would be served by further discussion, and proposes, in order to avoid delay, to exclude Scotland from the provisions of the Bill.	17
1920					
23	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 406	September 23	Transmits copies of the Maintenance Orders (Facilities for Enforcement) Act, 1920.	17
24	To the Governor-General	Canada 634	October 20	Transmits copies of the Maintenance Orders (Facilities for Enforcement) Act, 1920, and suggests that the Provincial Governments not previously favourably disposed towards reciprocal legislation might be invited to reconsider the matter.	17
25	To the Governor-General	New Zealand 226	October 20	Expresses satisfaction that the New Zealand Government adhere to the decision to pass reciprocal legislation regarding maintenance orders.	18
26	To the Governor-General, Acting Governor-General and Governor	Commonwealth of Australia 440 Union of South Africa 420 Newfoundland 130	October 20	Refers to No. 23, and expresses the hope that Ministers will take early steps to introduce reciprocal legislation.	18
27	To the Governors	Victoria 41, New South Wales 70, Queensland 66, South Australia 97, Western Australia 56, Tasmania 49	October 20	Transmits copies of the Maintenance Orders (Facilities for Enforcement) Act, 1920, and expresses the hope that it may be possible for Ministers to take early steps to introduce the promised reciprocal legislation.	18
1921					
28	The Deputy Governor-General	Canada 414	July 6 (Rec. July 18)	Transmits copies of replies received from Provincial Governments on the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920.	19

Serial No.	From or to whom	Despatch No., &c.	Date.	Subject.	Page.
1921					
29	The Deputy Governor-General	Canada 430	July 13 (Rec. July 25)	Transmits, with reference to No. 28, copy of communication from the Lieutenant-Governor of Prince Edward Island, stating that local legislation respecting maintenance orders may be introduced next session.	21
30	The Administrator	Canada 466	July 30 (Rec. Aug. 15)	Transmits copy of letter from the Lieutenant-Governor of Ontario, stating that Ministers have under consideration the advisability of submitting to the Legislative Assembly next session a Bill embodying provisions reciprocal to the Imperial Act.	22
31	The Governor-General	Canada 501	August 22 (Rec. Aug. 31)	Encloses despatch from the Lieutenant-Governor of Manitoba, stating that no action can be taken regarding maintenance orders until recommendation has been made by the Board of Commissioners for the Promotion of Uniformity of Legislation in Canada.	22
32	The Governor-General	Commonwealth of Australia 361	November 2 (Rec. Dec. 12)	States that the Commonwealth Parliament has not yet passed legislation on the subjects of marriage, divorce, and matrimonial causes; and therefore the Commonwealth Government is not in a position to introduce reciprocal legislation respecting maintenance orders.	23
33	To the Governor-General	Commonwealth of Australia 506	December 22	Explains, in reply to No. 32, that the proposal regarding reciprocal legislation had been intended to refer to the Northern Territory, Papua and Norfolk Island, it having been understood from Sir R. M. Ferguson's despatch of 24th February, 1915, that the Commonwealth Government would be willing to introduce such legislation in respect of those territories.	23

RESOLUTION XIX.: COMMERCIAL TREATIES.

(For continuance of the correspondence arising out of this Resolution see Dominions No. 75).

RESOLUTION XXV.: MUTUAL ENFORCEMENT OF JUDGMENTS AND ORDERS OF COURTS OF JUSTICE, INCLUDING JUDGMENTS AND ORDERS AS TO COMMERCIAL ARBITRATION AWARDS.

1919					
34	To the Governors-General and Governors	Canada, Commonwealth of Australia, New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, New Zealand, Union of South Africa, Newfoundland, Dominions 618	August 13	Transmits copy of the report of a Committee to consider the conduct of legal proceedings between parties in this country and parties abroad, and the enforcement of judgments and awards.	26

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
35	The Deputy Governor-General	Canada 735	September 30 (Rec. Oct. 11)	Transmits copies of despatches from the Lieutenant-Governors expressing the views of the Governments of Ontario, Nova Scotia, Prince Edward Island, Manitoba, Saskatchewan, Alberta, and British Columbia on the proposed Judgments Extension Bill.	26
36	The Acting Governor	Victoria 83	October 20 (Rec. Dec. 16)	States, in reply to No. 34, that the Government has no objection to the draft Bill as submitted.	31
1921					
37	To the Governors-General and Governors	Canada 49, Commonwealth of Australia 47, New South Wales 7, Victoria 3, Queensland 4, South Australia 28, Western Australia 4, Tasmania 7, New Zealand 23, Union of South Africa 30, Newfoundland 17, New Zealand 96	January 24	Transmits copy of the Administration of Justice Act, 1920; invites attention of Ministers to Part II., which deals with the reciprocal enforcement of judgments, and expresses the hope that reciprocal legislation will be introduced into the Dominions, etc., at an early date.	32
38	The Governor-General	New Zealand 96	May 9 (Rec. June 14)	States, in reply to No. 37, that steps will be taken during the next Session of Parliament to introduce legislation in the direction suggested.	33
39	The Governor	Tasmania 14	June 25 (Rec. Aug. 9)	States, in reply to No. 37, that Ministers are prepared to introduce the necessary reciprocal legislation next Session.	33
40	The Governor	Western Australia 21	“ 6 (Rec. Aug. 9)	States, in reply to No. 37, that a Bill has been prepared and will be submitted to Parliament next Session.	34

II.

CORRESPONDENCE ARISING OUT OF THE RESOLUTIONS OF THE
IMPERIAL WAR CONFERENCE, 1917.

RESOLUTION I.: DEMOBILIZATION.

RESOLUTION II.: UNIFORMITY OF EQUIPMENT.

RESOLUTION III.: TRAINING OF ORDNANCE PERSONNEL.

RESOLUTION IV.: NAVAL DEFENCE.

(The correspondence arising out of the above Resolutions is printed with other correspondence as to Naval and Military Defence in Dominions No. 72.)

RESOLUTION V.: TRADE COMMISSIONER SERVICE.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
41	To the Governor-General	New Zealand 21	January 27	Notifies the appointment of Major A. F. G. Anderson as Trade Commissioner in the Straits Settlements, and inquires whether Ministers desire that he shall communicate with the Department of Agriculture, Wellington.	36
42	The Governor-General	New Zealand 77	May 26 (Rec. July 19)	States that Ministers desire that any communications from the Trade Commissioner at Singapore should, for the present, be forwarded to the Minister of Industries and Commerce, Wellington.	36
1921					
43	To the Governor-General	Commonwealth of Australia 170	April 28	States that His Majesty's Trade Commissioners in South Africa receive constant inquiries regarding Australian trade matters, and inquires whether it is now desired to utilize the services of His Majesty's Trade Commissioners.	37
43a	The Governor-General	Canada 578	September 28 (Rec. Oct. 8)	Transmits copies of an approved Minute of the Privy Council asking that certain amendments be made to the circular issued by the Secretary of State for Foreign Affairs, 9th November, 1912.	37
44	The Governor-General	Commonwealth of Australia 313	September 16 (Rec. Oct. 29)	States, in reply to No. 43, that the matter is now receiving the consideration of the Australian Government.	38
44a	To the Governor-General	Canada 730 (Extract)	December 30	Agrees to amendment of Circular as suggested in No. 43a, and remarks upon the question of office accommodation for Canadian Government Commercial Representatives.	38

RESOLUTION VI.: PATENTS AND TRADE-MARKS

(1) Bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent Arrangements between the various parts of the British Empire.

1920					
45	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 17	January 10	Sets forth the advantages to be accorded to applicants for patents resident in the Dominions, and expresses the hope that similar privileges will be granted to persons residing in the United Kingdom.	40
46	The Governor-General	Union of South Africa 109	March 12 (Rec. March 31)	Transmits minute stating that Ministers will adopt His Majesty's Government's interpretation of Articles 307 and 308 of the Peace Treaty so far as Allied Nationals are concerned, provided reciprocity is given.	41

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
47	The Acting Governor-General	Canada, 292	May 1 (Rec. May 15)	Transmits copy of the Treaty of Peace, Germany, Order, 1920, and points out that this Order gives broader interpretation to Article 307 of the Peace Treaty than that given by the United Kingdom, but rights conferred by Article 308 have not been extended to British subjects; these rights will be extended under the Patents Act of 1919 on application.	42
48	The Governor ...	Newfoundland, 59	May 3 (Rec. May 18)	States that his Government will conform with procedure outlined in No. 45 so far as Newfoundland law permits, and adds that there are no reciprocal patent arrangements between Newfoundland and other parts of the Empire.	43
49	The Governor-General	Union of South Africa, 398	June 23 (Rec. July 17)	Transmits copy of Union Proclamation, No. 101 of 1920, giving effect within the Union to such portions of Section VII. of Part X. of the Peace Treaty as are applicable in South Africa.	43
50	The Governor-General	New Zealand, 91	June 18 (Rec. Aug. 2)	States, in reply to No. 45, that Ministers place upon Article 307 of the Peace Treaty the same interpretation as His Majesty's Government, and they consider that any doubt as to the extent of Article 308 is removed by rule 24 of the Treaty of Peace Order, 1920.	44
51	To the Governor-General	Canada, 530	August 28	Transmits copies of Nos. 46, 48, 49 and 50, and observes that the Government of the Union of South Africa has been notified that the extension of time accorded by Articles 307 and 308 of the Peace Treaty is now applicable to all British subjects, and sends explanatory remarks on No. 45.	45
52	To the Governor-General	Commonwealth of Australia, 344	August 28	Transmits copies of Nos. 46, 47, 48, 49 and 50, and sends explanatory remarks on No. 45.	45
53	To the Acting Governor-General	New Zealand, 174	August 28	Ditto.	46
54	To the Governor-General	Union of South Africa, 352	August 28	Notifies that the extension of time accorded by Articles 307 and 308 of the Peace Treaty will be given to all British subjects who apply for Patents in the United Kingdom, and sends explanatory observations on No. 45.	46
55	To the Governor ...	Newfoundland, 97	August 28	Transmits copies of Nos. 46, 47, 49 and 50, and makes explanatory observations on No. 45.	47

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
56	The Governor-General	New Zealand, 193	December 2, 1920 (Rec. Jan. 15, 1921)	Points out, with reference to No. 53, that the provision so far made in New Zealand regarding Patents is contained in the Treaty of Peace Order, and that, as the Patents (Temporary) Regulations expired on 10th July, there is no provision for cases requiring more than twelve months priority received after that date; such cases will be provided for in the Patent legislation next session.	47
57	To the Governors-General and Governor	Canada, 45 Commonwealth of Australia, 40 Union of South Africa, 28 Newfoundland, 16	January 21	Transmits copy of No. 56.	48

(2) Legislation in the Self-Governing Dominions as regards Patents and Trade Marks

Union of South Africa.

1920					
58	To the Governor-General	Union of South Africa, 126	March 17	Inquires what rights of priority, if any, are given under section 41 of the Union Patents Act, 1916, to applications previously made in the United Kingdom.	48
59	The Governor-General	Union of South Africa, 287	May 18 (Rec. June 8)	Transmits Minister's Minute giving their views on the interpretation of subsection (2) of section 41 of the Union Patents Act of 1916 as to priority rights in South Africa.	49
60	To the Governor-General	Union of South Africa, 273	June 26	States that His Majesty's Government would welcome an amendment of subsection (2) of section 41 of the Union Patents Act, 1916, on the lines suggested in No. 59.	50

RESOLUTION VIII.: CARE OF SOLDIERS' GRAVES;
and

RESOLUTION XII.: CARE OF SOLDIERS' GRAVES.
(See Note on page 51.)

RESOLUTION IX.: CONSTITUTION OF THE EMPIRE.
(See Note on page 52.)

RESOLUTION X.: NATURALIZATION.
(See Note on page 53.)

RESOLUTION XIII.: IMPERIAL MINERAL RESOURCES BUREAU.
(See Note on page 54.)

RESOLUTION XIV.: PRODUCTION OF NAVAL AND MILITARY MATERIAL, MUNITIONS AND SUPPLIES.

(The correspondence arising out of this Resolution is printed with other correspondence as to Military and Naval Defence in Dominions No. 72.)

RESOLUTION XV.: DOUBLE INCOME TAX.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
61	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	March 24	Notifies the appointment of a Royal Commission on Income Tax, and asks the Dominions Governments to nominate representatives to confer with the Commission on the question of double income tax.	56
62	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	April 8	Transmits extracts from House of Commons debate and <i>The Times</i> relative to the appointment of the Royal Commission on Income Tax.	57
63	The Governor-General	New Zealand, Telegram	(Rec. April 12)	Appoints High Commissioner to represent New Zealand on Royal Commission on Income Tax.	58
64	Ditto ...	Commonwealth of Australia, Telegram	(Rec. May 7)	Appoints Sir Robert Garran as Commonwealth representative on Income Tax Commission.	58
65	To the Governors-General and Governor	Canada, Union of South Africa, Newfoundland, Telegram	June 14	States that Income Tax Commission will be ready to confer with Dominions delegates shortly after 10th September, and inquires as to representatives.	58
66	The Governor ...	Newfoundland, Telegram	June 25 (Rec. June 26)	Reports that Ministers have decided not to appoint a representative on the Income Tax Commission at the present time.	59
67	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	July 5	Notifies the appointment of a Sub-Committee to consider the question of relief from double income tax.	59
68	To the Governors-General	Canada, Union of South Africa, Telegram	July 5	Requests early reply to No. 65.	59

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
69	The Governor-General	Commonwealth of Australia, Telegram	July 28 (Rec. July 28)	Asks, in reply to No. 67, that consideration of the matter be deferred as the Commonwealth representative cannot reach London until the middle of September.	60
70	To the Governors-General	Canada, Union of South Africa, Telegram	July 29	Urges early appointment of representatives on the Income Tax Commission.	60
71	To the Governor-General	Commonwealth of Australia, Telegram	July 29	Inquires whether Australian representative will arrive in the United Kingdom before the 9th September.	60
72	The Governor-General	Commonwealth of Australia, Telegram	(Rec. July 30)	Suggests that date of Conference be altered to the 10th September, as the Commonwealth representative cannot reach London before the 12th September.	60
73	To the Governors-General	Canada, Commonwealth of Australia, Union of South Africa, Telegram	August 7	States that date of first conference is fixed for 23rd September.	61
74	The Governor-General	Union of South Africa, Telegram	August 27 (Rec. Aug. 29)	Reports the selection of Mr. James Burns, I.S.O., as the Union representative on the Income Tax Commission.	61
75	The Governor ...	Newfoundland, 119	September 30 (Rec. Oct. 17)	States that Ministers, on reconsidering the matter, desire Sir Edgar Bowring to act as representative for Newfoundland on the Income Tax Commission.	61
1920					
76	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 180	April 30	Transmits extract from Budget statement by the Chancellor of the Exchequer on 19th April on the subject of double income tax, together with the Financial Statement for 1920-21.	61
77	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 427	October 4	Transmits copy of the Finance Act, 1920, and observes that section 27 deals with the question of double income tax.	62

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
78	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	November 16	Requests, for communication to Government of India, telegraphic information regarding the policy of the Dominion Governments with respect to double taxation.	63
79	The Governor-General	New Zealand, Telegram	November 24 (Rec. Nov. 24)	States that by the Land and Income Tax Act, 1916, income derived by a person resident in New Zealand from the United Kingdom or any British Dominions, and subject to income tax there, should not be again liable to income tax in New Zealand, and that no further action in this direction is contemplated.	63
80	The Governor	Newfoundland, 215	November 26 (Rec. Dec. 6)	States, in reply to No. 78, that Ministers desire to let the matter remain over until the return of the Minister of Justice from England.	63
81	The Governor-General	Commonwealth of Australia, Telegram	December 9 (Rec. Dec. 10)	States that proposals in No. 78 have been submitted to the Commonwealth Taxation Commission, and Government consideration of the question has been suspended pending receipt of the Commission's recommendations.	64
82	Ditto	Union of South Africa, Telegram	December 14 (Rec. Dec. 16)	States, in reply to No. 78, that as Union law does not impose double income tax, no measures for relief are at present contemplated by Ministers.	64
1921					
83	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 361	August 31	Transmits copy of the Finance Act, 1921, and points out that section 28 deals with claims for relief in respect of Dominion income tax.	64
84	The Governor-General	Commonwealth of Australia, Telegram (Extract)	September 30 (Rec. Sept. 30)	States that Budget scheme recommended by Sub-Committee of the British Royal Commission in respect of double income tax will be adopted as far as Commonwealth income tax is concerned; relief from State tax will be left to State Government.	64
85	To the Governor-General	Commonwealth of Australia, Telegram	October 15	States that the Board of Inland Revenue urge the desirability of mutual co-operation in view of the complicated nature of income tax relief law, and they suggest that proposed Commonwealth provisions should be supplied to them in advance, or the Board would discuss the question with a competent representative of the Commonwealth Government in the United Kingdom.	65

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
86	The Governor-General	Commonwealth of Australia, Telegram	November 30 (Rec. Nov. 30)	States, in reply to No. 85, that the Commonwealth Government are considering means whereby relief will be given to persons paying both United Kingdom and Commonwealth taxes.	65

RESOLUTION XVII.: CONTROL OF IMPORTS AFTER THE WAR FROM PRESENT ENEMY COUNTRIES.

(See Note on page 66.)

RESOLUTION XIX.: CONTROL OF ORES AND METALS.

(See Note on page 67.)

RESOLUTION XX.: CONTROL OF MEAT SUPPLIES.

(See Note on page 68.)

RESOLUTION XXI.: IMPERIAL PREFERENCE.

1919					
87	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 381	May 14	Transmits copies of House of Commons debates on Budget proposals respecting Imperial Preference.	69
88	Ditto	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 691	August 29	Transmits, with reference to No. 87, copy of the Finance Act, 1919, two London Gazette notices, and an extract from the Board of Trade Journal of 14th August.	69
89	Ditto	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 751	September 18	Transmits, with reference to No. 88, extracts from Board of Trade Journal of the 28th August and 4th September.	70

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
90	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 761	September 29	Transmits copy of House of Commons Papers, Nos. 164 and 165, relating to Imperial Preference.	70
1920					
91	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 379	September 9	Transmits copy of Finance Act, 1920.	70
92	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 403	September 20	Transmits, with reference to Nos. 88 and 89, copy of Notice issued by the Board of Customs.	71

RESOLUTION XXII.: RECIPROCITY OF TREATMENT BETWEEN INDIA AND THE SELF-GOVERNING DOMINIONS.

(For the correspondence on this subject see Dominions No. 70.)

RESOLUTION XXIV.: TEMPTATIONS OF OVERSEAS SOLDIERS.

(The correspondence arising out of this Resolution is printed with other correspondence as to Naval and Military Defence in Dominions No. 72.)

III.

CORRESPONDENCE ARISING OUT OF THE RESOLUTIONS OF THE IMPERIAL WAR CONFERENCE, 1918.

RESOLUTION I.: IMPERIAL WAR GRAVES COMMISSION.

1921					
93	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 360	August 31	Transmits copy of an Order in Council, dated 10th August, approving the draft of a Supplemental Charter to be granted to the Imperial War Graves Commission.	74

1921					
94	The Governor-General	Commonwealth of Australia 251	July 11 (Rec. Sept. 2)	Forwards a complete list of graves of prisoners of war and internees, and suggests that the requirements of the Peace Treaty are met, since all the deceased have been interned in recognised cemeteries, except those buried at Trial Bay; proposals for the maintenance of the graves at Trial Bay are being considered.	74

RESOLUTION II.: NON-FERROUS METAL INDUSTRY.

1919					
95	The Governor-General	New Zealand 85	May 23 (Rec. July 18)	States that the Government are in sympathy with the resolution passed at the Imperial War Conference, 1918, and that they will adopt necessary measures.	76
96	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 613	August 1	Forwards copies of the India Act No. XVII. of 1918.	76

RESOLUTIONS III., IV. AND XXIII.: CONTROL OF RAW MATERIALS.

1919					
97	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 25 Confidential	January 11	Notifies the action taken by His Majesty's Government for carrying out Resolutions III., IV. and XXIII. of the Imperial War Conference, 1918, as to the Control of Raw Materials, and requests that his Ministers be so informed.	78
98	The Governor-General	New Zealand, Confidential	July 23 (Rec. Sept. 22)	Considers that action relative to the control of raw materials and also of oleaginous produce after the War should be deferred until the return of the Prime Minister and the Minister of Finance.	80

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
99	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 817 Confidential	November 8	Announces the dissolution of the Raw Materials Board, and states reasons.	81

RESOLUTION V.: IMPERIAL MEAT SUPPLIES.

			1920		
100	To the Governors-General and Governor	Canada, 24 Commonwealth of Australia, 9 New Zealand, 5 Union of South Africa, 10 Newfoundland, 4	January 7	Transmits copies of the Report of the Inter-Departmental Committee on Meat Supplies.	82

RESOLUTION VI.: ENEMY DEBTS.

(See Note on page 190 of Dominions No. 61.)

RESOLUTION VII.: IMPERIAL BUREAU OF MYCOLOGY.

			1919		
101	The Governor-General	Canada, 21	January 8 (Rec. Jan. 28)	Transmits Privy Council Minute authorizing the grant for three years of £250 a year towards the Imperial Bureau of Mycology.	84
102	Ditto ...	New Zealand, 13	January 30 (Rec. April 14)	Agrees to contribute £100 per annum for three years towards the proposed Imperial Bureau of Mycology.	85
103	Ditto ...	Union of South Africa, 199	March 24 (Rec. April 25)	Transmits Minute from Ministers agreeing to contribute £150 per annum for three years towards the proposed Imperial Bureau of Mycology.	85
104	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, 611	August 1	Transmits list of scientific members of Imperial Bureau of Mycology, and submits suggestion as to representation of Dominion Governments on the Committee.	86

RESOLUTION VIII.: IMPERIAL STATISTICS.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1919		
105	The Governor-General	New Zealand, Telegram	(Rec. May 19)	Reports that it has been decided that New Zealand shall be represented at the Imperial Conference of Statisticians, and that Mr. Malcolm Fraser will be the representative; inquires date of meeting of Conference.	88
106	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	July 18	Proposes to make arrangements for an Imperial Statistical Conference to be held either in November, 1919, or early in 1920, and inquires what date would be most suitable for Dominions' representatives.	88
107	The Governor-General	Commonwealth of Australia, Telegram	(Rec. July 25)	States that Mr. G. H. Knibbs, Commonwealth Statistician, will represent Commonwealth Government at Imperial Conference of Statisticians, and that he can attend either in November or January, but the former date would be more convenient.	88
108	Ditto ...	New Zealand, Telegram	(Rec. Aug. 5)	States, in reply to No. 106, that early in 1920 would be a more suitable date, but if November, 1919, is decided on, arrangements will be made for New Zealand representative to be present.	89
109	Ditto ...	Union of South Africa, Telegram	August 22 (Rec. Aug. 24)	States that November, 1919, or early months of 1920 will be equally suitable to the Union of South Africa, and that the representative will be Mr. C. W. Cousins, Director of Census and Statistics for the Union.	89
110	The Deputy Governor-General	Canada, 684	August 13 (Rec. Aug. 29)	Transmits copy of a Privy Council Minute agreeing to the suggested date, November, 1919, of the Conference, and nominating Mr. B. H. Coats, Dominions Statistician, to represent Canada.	89
111	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	October 4	States that 20th January, 1920, is the date now proposed for the commencement of the meetings of the Conference.	90
112	The Governor-General	Canada, Telegram	October 9 (Rec. Oct. 10)	States, in reply to No. 111, that the date fixed is convenient to Canadian Government.	90
113	Ditto ...	New Zealand, Telegram	October 18 (Rec. Oct. 18)	States that Mr. Fraser, Government Statistician, will leave by the "Ascanius" from Sydney, on 29th November, arriving in London about 10th or 12th January.	90

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
114	The Governor ...	Newfoundland, Telegram	(Rec. Oct. 20)	States that Government of Newfoundland is quite agreeable as to date of the Conference, and that the question of a representative will be considered later.	91
115	The Governor-General	Canada, Telegram	December 30 (Rec. Dec. 31)	States that the Canadian representative, Mr. R. H. Coats, Dominion Statistician, and Mr. E. H. Godfrey, Dominion Bureau of Statistics, sail by the "Metagama" on 10th January.	91
1920					
116	The Governor ...	Newfoundland, 25	February 23 (Rec. Mar. 5)	States that Ministers do not consider the matter is of sufficient importance to justify the expense of sending a representative at the Conference from Newfoundland, and that the High Commissioner may represent the Colony.	91
117	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 173	April 26	Transmits copies of the Report of the British Empire Statistical Conference, and asks for Ministers' views on the proposals made by the Conference.	91
118	The Governor-General	Union of South Africa, 405	June 24 (Rec. July 17)	Transmits minute from Ministers, stating that they are in agreement with the recommendations of the Empire Statistical Conference, and are prepared to support financially the establishment of a Central Bureau.	92
119	Ditto ...	Canada, 537	August 31 (Rec. Sept. 14)	Transmits copy of a Privy Council minute advising approval of proposals of the Empire Statistical Conference and the appointment of Sir G. Percley, High Commissioner, as representative of Canada in the discussion in connexion with the proposed Royal Charter.	92
120	Ditto ...	Commonwealth of Australia, 275	August 9 (Rec. Sept. 25)	Conveys approval of his Government of recommendations of the Statistical Conference, but points out that the Dominion Governments have already organized Bureaux, and suggests that a Bureau for the United Kingdom should be established to facilitate the work of the proposed Empire Bureau.	93
121	Ditto ...	New Zealand, 168	October 11 (Rec. Nov. 24)	States that his Government cannot at present support the establishment of a British Empire Statistical Bureau, but they entirely approve of the development and co-ordination of Empire statistics, and, whenever practicable, New Zealand statistics will be altered and extended to meet the recommendations of the Conference.	94

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1921					
122	India Office ...	—	March 5	Transmits copy of a letter from the Government of India approving the proposal to establish a Central Imperial Statistical Bureau.	94
123	The Governor-General	New Zealand, Telegram	April 14 (Rec. April 14)	States that his Government has now decided to support the proposal for the establishment of a British Empire Statistical Bureau, and that the names of the two New Zealand representatives on the Council will be telegraphed later.	95

RESOLUTION IX.: IMPERIAL NEWS SERVICE.

1919					
124	To the Governor-General	Canada, Telegram	August 12	Submits proposals for an Imperial News Service, through Reuter's Agency, from London to Canada for one year from 1st October, 1919, and inquires whether the Canadian Government would agree to bear half the cost.	96
125	To the Governors-General	Commonwealth of Australia, New Zealand, Union of South Africa, Telegram	August 12	Outlines proposals for an Imperial News Service, through Reuter's Agency, to the Dominions and Colonies, and inquires whether the Dominion Governments would be prepared to contribute the amounts indicated.	96
126	House of Commons	—	August 12	Question asked by Mr. Hurd as to Government payments to Reuter's Agency, and Colonel Amery's reply thereto.	97
127	The Governor-General	Canada, Telegram	September 5 (Rec. Sept. 6)	States that Canadian Press, Ltd., which controls distribution of news among Canadian papers, and the operations of the Canadian Associated Press, which supplies British news to Canadian papers, will discuss extension of cable service in October, but in the meantime decline to enter into any arrangement unless they have responsibility for selection of news; in these circumstances, considers arrangement proposed in No. 124 impracticable at present.	98
128	Ditto ...	New Zealand, Telegram	(Rec. Sept. 10)	States, in reply to No. 125, that his Government agrees to contribute £175 per month for one year from 1st October, 1919.	98
129	Ditto ...	Union of South Africa, Telegram	September 27 (Rec. Sept. 27)	States, in reply to No. 125, that Ministers are prepared to avail themselves of the special news service for one year commencing 1st October, 1919.	98

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
130	The Governor-General	Commonwealth of Australia, Telegram	(Rec. Oct. 1)	States, with reference to No. 125, that the Commonwealth Government cannot agree to provide suggested contribution of £125 a month; adds that matter appears to be one for Australian newspaper proprietors.	98
131	To the Governor-General	Canada, Telegram	October 1	States, in reply to No. 127, that His Majesty's Government would be prepared to subsidize the Canadian Associated Press, provided that assurances are given as to the character and adequacy of the news sent.	99
132	The Governor-General	Canada, Telegram	October 28 (Rec. Oct. 29)	States, in reply to No. 131, that it is expected that Canadian Press, Ltd., will enter into a satisfactory agreement, but the matter must await their annual meeting on 25th November.	99
133	To the Governors-General	New Zealand, Union of South Africa, Telegram	November 18	States, with reference to No. 125, that the continuance of Imperial News Service has been approved up to 31st December, and explains arrangements for publication.	99
134	Ditto ...	New Zealand, Union of South Africa, Telegram	December 13	Explains, with reference to No. 125, that, in order to meet deficit caused by the defection of the Commonwealth, it is proposed to reduce the service to 9,000 words per month for three months from 1st January, 1920.	100
135	The Governor-General	Union of South Africa, Telegram	December 27 (Rec. Dec. 27)	States, in reply to No. 134, that his Government has no objection to the arrangement proposed.	100
1920					
136	Ditto ...	New Zealand, Telegram	January 20 (Rec. Jan. 20)	Ditto.	100
137	The Administrator	Canada, Telegram	March 15 (Rec. Mar. 15)	States terms on which Canadian Press Association are prepared to enter into an agreement to provide an Imperial News Service, and that, if proposal is approved, and His Majesty's Government is prepared to pay one half of 40,000 dollars, Canadian Government will pay the other half; adds that the Association suggests that completion of arrangements should stand over until after the Imperial Press Conference in August.	101
138	The Governor-General	Commonwealth of Australia, Telegram	March 23 (Rec. Mar. 24)	Transmits message from Prime Minister stating that he is unable to meet the wishes of the Secretary of State regarding Reuter's Service.	101
139	To the Governors-General	New Zealand, Union of South Africa, Telegram	March 25	States that it is proposed to continue Reuter Service on present lines for a further three months from 1st April.	101

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
140	The Governor-General	New Zealand, Telegram	April 8 (Rec. April 8)	Agrees to proposal in No. 139.	102
141	Ditto ...	Union of South Africa, Telegram	April 8 (Rec. April 10)	Ditto.	102
142	The Acting Governor-General	Canada, Telegram	May 7 (Rec. May 8)	States that House of Commons has called for correspondence between the Government of Canada and the Canadian Press, Ltd., which discloses basis of proposed joint contribution of His Majesty's Government and Government of Canada, and inquires whether there is any objection to publication while Canadian Press Association were asked to keep proposals confidential.	102
143	To the Governor-General	Canada, Telegram	May 13	States, in reply to No. 142, that His Majesty's Government have no objection.	102
144	Ditto ...	Canada, Telegram	June 2	Inquires whether the report that the Canadian Press Association have decided to improve the Imperial News Service without assistance from His Majesty's Government is correct.	103
145	The Governor-General	Canada, Telegram	June 5 (Rec. June 6)	States, in reply to No. 144, that Canadian Press Association has decided against accepting assistance from Imperial Government, and Canadian Government is not sure that the new proposal will provide as extensive news service as contemplated in proposals under consideration, but it is the best that could be arranged.	103
146	To the Governor-General	Canada, 366	June 16	Asks to be furnished with details as to the new arrangements referred to in No. 145.	103
147	To the Governors-General	Union of South Africa, New Zealand, Telegram	June 24	Proposes to continue special Reuter service for a further three months from 1st July; and, with a view to considering the question of continuance of service after 30th September, asks for views of Ministers as to the advantages of the service and their willingness, or otherwise, to continue to contribute.	103
148	The Governor-General	Canada, 469	July 13 (Rec. July 23)	States that the Canadian Press, Ltd., propose to develop for the Canadian daily newspapers a supplementary cable service.	104
149	The Acting Governor-General	New Zealand, Telegram	August 19 (Rec. Aug. 19)	States, in reply to No. 147, that his Government does not consider special Reuter service is proving really advantageous, and prefers to discontinue it, but is willing to contribute as indicated until 31st March, 1921.	104

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
150	The Governor-General	Union of South Africa, Telegram	August 20 (Rec. Aug. 21)	States, in reply to No. 147, Ministers' views as to the utility of the service, and adds that they are prepared to continue subscriptions for a further year from 1st October, 1920.	104
151	To the Governor-General	Union of South Africa, Telegram	September 21	States that, in view of divergent replies to No. 147, it is proposed to continue a modified service of 6,000 words per month to the Union and certain of the Colonies for three months experimentally from 1st October, 1920.	105
152	Ditto ...	New Zealand, Telegram	September 22	Expresses appreciation of New Zealand Government's offer to continue contributions, but states that, for reasons given, the service to New Zealand will be discontinued after 30th September, 1920.	105
153	The Acting Governor-General	Union of South Africa, Telegram	September 28 (Rec. Sept. 28)	States that Ministers have no objection to the arrangement proposed in No. 151, provided that the Union's contribution will not exceed £700 per annum.	105
154	To the Governor-General	Canada, Telegram	October 12	States the terms on which His Majesty's Government is prepared to subsidize for five months from 1st November, 1920, the proposed Reuter News Service to Canada.	106
155	To the Acting Governor-General	Union of South Africa, 413	October 19	States that proposal in No. 151 has now been sanctioned, and requests views of Ministers as to the value of the new scheme, the prominence given to it, and their willingness or otherwise to contribute after 31st December.	106
156	House of Commons	—	November 22	Question asked by Mr. Hurd as to the subsidized news service to Canada and other parts of the Empire, and Colonel Amery's reply thereto.	106
157	The Governor-General	Union of South Africa, Telegram	November 25 (Rec. Nov. 28)	In reply to No. 155, invites reference to No. 150, and adds that Ministers are prepared to continue subscription not exceeding £700 per annum for one year from 1st October, 1920.	107
158	House of Commons	—	December 2	Questions asked by Mr. Hurd as to Government control and the employment of a single agency in connexion with the Imperial News service; and Colonel Amery's replies thereto.	107
159	To the Governor-General	Union of South Africa	December 24	Reports continuance of special Reuter Service until 31st March on existing conditions.	108
1921					
160	Ditto ...	Union of South Africa, Telegram	March 30	Reports continuance of special Reuter Service for further three months from 1st April on present conditions.	108

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1921					
161	To the Governor-General	Union of South Africa, Telegram	May 6	Inquires whether, in the event of the discontinuance of His Majesty's Government contribution to the special Reuter Service, the Union Government would be prepared to increase their contribution by 50 per cent., or, if not, what amount would they be willing to provide for year from 1st July, 1921; alternatively, would they prefer to discontinue the service altogether.	108
162	The Governor-General	Union of South Africa, Telegram	May 16 (Rec. May 16)	States, in reply to No. 161, that Ministers do not propose to recommend Parliament to make further contribution, and service should discontinue after 30th September, 1921.	109

RESOLUTION X.: DYE MANUFACTURING INDUSTRY.

1919					
163	The Governor-General	Commonwealth of Australia, Telegram	(Rec. Feb. 16)	Reports that steps are being taken to prohibit, by Proclamation, the importation of dyes other than those of British origin.	110
164	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	March 1	Notifies issue of Proclamation prohibiting importation into the United Kingdom, except under licence, of the dyestuffs indicated.	110
165	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	March 1	With reference to No. 164, calls attention to the Secretary of State's despatch of 31st October, 1918.	110
166	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 166	March 11	Transmits copies of Proclamation relating to the importation of dyestuffs into the United Kingdom.	111
167	To the Governor-General	Commonwealth of Australia, Telegram	March 12	Reports the issue of general licence allowing importation of dyestuffs of French, American and Swiss origin.	111

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
168	The Governor-General	Commonwealth of Australia, Telegram	(Rec. Mar. 13)	Reports issue of Proclamation referred to in No. 163, and mentions certain cases where importation will be allowed, also inquires whether British manufacturers can now supply all Australian requirements.	111
169	Ditto ...	Canada Telegram	March 15 (Rec. Mar. 16)	States that so far nothing has been done in Canada towards development of the dye manufacturing industry.	112
170	The Governor	Newfoundland 19	February 27 (Rec. Mar. 17)	States that although there is no dye manufacturing industry in Newfoundland, Ministers will take any action for its promotion in the British Empire.	112
171	The Governor-General	Union of South Africa, 140	March 4 (Rec. Mar. 27)	Transmits minute from Ministers as to the position of the dye industry.	113
172	To the Governor-General	Commonwealth of Australia, Telegram	April 17	Requests, in reply to No. 168, that Australian requirements be indicated as far as possible.	114
173	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions, 296	April 24	Transmits copy of an extract from the Board of Trade Journal of 10th April, 1919, relative to the revocation of the general licence of 27th February, 1919, for the importation of dyestuffs of American, French and Swiss origin into the United Kingdom.	114
174	The Governor-General	New Zealand 51	March 14 (Rec. Apr. 29)	States position in New Zealand as to supplies of dyes from Great Britain and United States of America, and asks what allocation of the British output is available for New Zealand.	115
175	To the Governor-General	New Zealand 111	June 26	Explains that it is impossible to state the proportion of British dyestuffs available for New Zealand, but if details could be furnished, it might be possible to indicate the extent to which they could be supplied by British manufacturers.	115
176	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 504	June 26	States that arrangements have been made for importation, without licence, into the United Kingdom of dyestuffs of Dominion manufacture.	116
177	The Governor-General	Commonwealth of Australia, Telegram	(Rec. July 8)	States, in reply to No. 172, that no definite statement as to requirements can be made; and that it is proposed to consider applications to introduce foreign dyes when British manufacturers are unable to meet demands; asks for preferential treatment to orders from Australia.	116

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
178	To the Governor-General	Commonwealth of Australia, Telegram	July 25	States that while Board of Trade are unable to suggest to British dye makers that they should grant preferential treatment to Australian orders, they are prepared to grant export licences as freely as possible for shipments to Australia.	116
179	The Governor-General	New Zealand 96	June 6 (Rec. Aug. 5)	Transmits particulars of estimated dye requirements of the various woollen mills in New Zealand.	117
180	To the Governor-General	Commonwealth of Australia 320	August 30	Transmits copies of correspondence with the United States Ambassador respecting the prohibition by the Australian Government of importation of foreign dyestuffs.	119
181	The Governor-General	New Zealand 166	September 6 (Rec. Oct. 20)	Invites, in reply to No. 175, reference to No. 179.	121
182	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 816	Nov. 8	Transmits copy of an extract from the Board of Trade Journal of 11th September, relative to the importation of dyestuffs into British India.	121
183	To the Governor-General	New Zealand 200	Nov. 19	States that, with the exception of a small quantity of special dyestuffs, the Board of Trade consider it will be possible to meet substantially the demands of New Zealand as specified in No. 179.	122
1921					
184	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 29	Jan. 15	Transmits copy of the Dyestuffs (Import Regulation) Act, 1920.	122

RESOLUTIONS XI. AND XXIV.: SHIPPING.

1919					
185	The Governor ...	Newfoundland 5	Jan. 14 (Rec. Feb. 8)	States that Sir Edgar Bowring, High Commissioner, will be Newfoundland's representative on the Imperial Investigation Board.	123

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
186	The Governor-General	Commonwealth of Australia 62	Mar. 6 (Rec. Apr. 28)	Concurs in proposal in Secretary of State's despatch, No. 703 of the 9th December, 1918, and nominates Mr. H. B. G. Larkin as Commonwealth representative on Imperial Investigation Board.	124
187	To the Governors-General	Canada, New Zealand, Union of South Africa, Telegram	May 28	Requests views of Ministers regarding proposed Imperial Investigation Board.	124
188	The Governor-General	New Zealand 64	April 9 (Rec. May 26)	States, with reference to the Secretary of State's despatch, No. 703 of the 9th December, 1918, that it has been suggested to the Prime Minister that he should deal direct with the Colonial Office regarding the proposed constitution of an Imperial Investigation Board.	124
189	Ditto ...	New Zealand Telegram	(Rec. May 26)	States that suggestion was made to Mr. Massey by telegraph some weeks ago that he should deal direct with the Colonial Office regarding the proposed constitution of an Imperial Investigation Board.	125
190	To the Right Hon. W. F. Massey (Prime Minister)	New Zealand	May 28	Invites views regarding the proposed constitution of an Imperial Investigation Board.	125
191	The Governor-General	Canada, Telegram	May 27 (Rec. May 28)	States that Canadian Government approve proposal to establish an Imperial Investigation Board, and recommend Sir G. H. Perley as Canadian representative.	125
192	The Right Hon. W. F. Massey	New Zealand	May 30 (Rec. June 5)	Entirely approves proposal to constitute an Imperial Investigation Board, and refers to his views as set out in the Reports of the Proceeding of the War Conference, 1918.	125
193	The Governor-General	Canada, Telegram	June 4 (Rec. June 5)	Suggests that discussion respecting the proposed Imperial Investigation Board be postponed pending consideration of scheme which has been submitted by the Union Prime Minister to Mr. Lloyd George in Paris.	126
194	Ditto ...	Canada, 468	May 31 (Rec. June 9)	Transmits copy of letter from Department of External Affairs recommending Sir G. Perley as Canadian representative on the proposed Imperial Investigation Board.	126
195	Canadian House of Commons	—	June 11	Question by Mr. Armstrong as to the proposed constitution of an Imperial Investigation Board, and Sir Robert Borden's reply thereto.	127
196	The Governor-General	Union of South Africa, Telegram	June 20 (Rec. June 26)	States that the Union of South Africa Government propose to nominate Mr. Bowden as its representative.	128
197	The Rt. Hon. W. M. Hughes (Prime Minister)	Commonwealth of Australia	July 2	Memorandum as to sea communications.	128

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
198	To the Governor-General	Canada, Telegram	July 16	Invites Government to nominate a representative on the Committee to be set up to consider the question of the improvement of Imperial sea communications.	129
199	The Canadian Mission in London	Canada	July 17	Transmits for consideration, copy of a memorandum by Sir Robert Borden respecting control of ocean freight rates, and the disposition of available shipping.	129
200	The Governor-General	Canada, Telegram	August 2 (Rec. Aug. 3)	Reports that his Government agrees to the expediency of appointing a Committee to consider the question of Imperial sea communications, and nominates the Hon. A. K. Maclean as representative.	131
201	To the Governor-General	Canada, Telegram	October 11	States terms of reference of the proposed Imperial Shipping Committee, and requests name of Canadian representative.	131
202	The Governor-General	New Zealand, Telegram	October 20 (Rec. Oct. 20)	States that Prime Minister wishes to learn whether Imperial Government are proceeding with any scheme for controlling shipping services between Great Britain and the Dominions, and, if so, what progress has been made.	132
203	To the Governor-General	Canada, Telegram	October 29	Requests reply to No. 201.	132
204	Ditto ...	Canada, Telegram	November 18	Makes further request for reply to No. 201.	132
205	The Governor-General	Canada, Telegram	November 19 (Rec. Nov. 20)	States that Ministers represent that it is not intended that the Hon. A. K. Maclean should return to London for the purpose of attending the Imperial Shipping Committee Meetings, but Sir G. H. Perley, High Commissioner, has been appointed to represent the Government of Canada.	132
206	To the Governors-General and Governor	Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	November 27	Submits amended proposals in connexion with the Imperial sea communications scheme, and states that Sir Albert Stanley has agreed to act as Chairman on the proposed Committee.	133
207	To the Governor-General	Commonwealth of Australia, Telegram	November 27	Presumes that nomination of Mr. Larkin will stand for Shipping Committee.	133
208	Ditto ...	New Zealand, Telegram	November 27	Requests that Ministers will appoint a representative on the Imperial Shipping Committee.	133
209	Ditto ...	Union of South Africa, Telegram	November 27	Presumes that the nomination of Mr. Bowden will stand for Shipping Committee.	134

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
210	To the Governor	Newfoundland Telegram	November 27	Presumes that nomination of Mr. Bowring will stand for Shipping Committee.	134
211	The Governor-General	Canada 847	November 21 (Rec. Dec. 2)	Transmits copy of Privy Council Minute appointing the Hon. Sir G. Perley as Canadian representative on the Imperial Shipping Committee.	134
212	The Governor ...	Newfoundland Telegram	December 3 (Rec. Dec. 3)	States that Ministers have no objection to proposed alterations respecting Imperial sea communications, and that the appointment of Mr. Bowring stands.	135
213	The Governor-General	Commonwealth of Australia, Telegram	December 8 (Rec. Dec. 4)	States that his Government concur in alteration proposed in No. 206, and that the nomination of Mr. Larkin will stand.	135
214	Ditto ...	Union of South Africa Telegram	December 10 (Rec. Dec. 10)	States, in reply to No. 209, that the nomination of Mr. Bowden will stand.	135
215	Ditto ...	Union of South Africa Telegram	December 8 (Rec. Dec. 13)	States that Ministers see no objection to alterations proposed in No. 200, and concur.	135
216	To the Governor-General	New Zealand Telegram	December 23	Requests replies to Nos. 206 and 208.	136
1920					
217	Ditto ...	New Zealand Telegram	January 13	Requests that replies to Nos. 206 and 208 may be expedited.	136
218	The Governor-General	New Zealand Telegram	January 17 (Rec. Jan. 17)	States, with reference to Nos. 206 and 208, that his Government concur in amended proposals, and nominate High Commissioner for New Zealand as their representative.	136
219	To the Governor-General	Canada Telegram	February 9	States, with reference to No. 205, that amended proposals have now been accepted by the other Dominions, and that Sir A. Stanley (now Lord Ashfield) will be Chairman.	136
220	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	May 4	States that Lord Ashfield will not be able to act as Chairman of the Committee, and gives list of proposed unofficial members.	137
221	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland Telegram	May 8	States that Sir H. J. Mackinder has consented to act as Chairman of the Committee.	137

1920					
222	To the Governors-General and Governor.	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 258	June 25	Transmits copy of the Instrument of Appointment of the Imperial Shipping Committee.	137
223	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 444	October 18	States that, Sir A. Steel-Maitland having resigned, Sir F. Butler, of the Department of Overseas Trade, has been appointed a member of the Committee in his place.	139

RESOLUTION XII.: INTER-IMPERIAL PARCELS DELIVERY.

1920					
224	The Governor-General	Canada 457	July 7 (Rec. July 19)	States that there is no C.O.D. system in connexion with parcel post in Canada, and that Canada is therefore not in a position to participate in a service for the collection of trade charges between the United Kingdom and Canada.	140
1921					
225	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 457	November 10	Transmits copies of a Memorandum relating to proposals for an Imperial Heavy Parcels Post Scheme with a covering note, and requests observations of Ministers.	140

RESOLUTION XIII.: CENTRAL EMIGRATION AUTHORITY.

(See Note on page 143).

RESOLUTION XIV.: CABLE COMMUNICATIONS.

(1) General Correspondence as to Reduction of Rates: South Africa and Australia.

1919					
226	To the Governor-General	Union of South Africa, Confidential	February 10	Transmits copy of letter, with enclosure, from the Post Office to the Postmaster-General of the Union of South Africa respecting cable communications and the reduction of cable rates.	144

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1919					
227	The Postmaster-General (Pretoria) to the High Commissioner	Union of South Africa, Telegram	March 4	States, in reply to No. 226, that the Union Government advocates the immediate introduction of reduced cable rates between South Africa and Europe, and between South Africa and Australia on scales indicated.	146
228	To the Governor-General	Commonwealth of Australia, Telegram	April 28	Desires views of Commonwealth Government as to date on which the agreement with the Eastern Telegraph Co. should take effect.	147
229	Ditto ...	Commonwealth of Australia, Telegram	June 18	Requests early reply to No. 228.	147
230	Ditto ...	Commonwealth of Australia Telegram	July 26	Trusts that Ministers will do their utmost to expedite reply to No. 228, and states reasons.	147
231	The Governor-General	Commonwealth of Australia Telegram	(Rec. Aug. 2)	Reports that, in opinion of Postmaster-General, no reduction of cable rates should be considered until normal conditions prevail.	147
232	To the Governor-General	Commonwealth of Australia, Telegram	September 26	Inquires whether the Commonwealth Government is now in a position to furnish an approximate date for giving effect to Commonwealth agreement with Eastern Telegraph Company, and states that the delay is prejudicing negotiations with regard to other cable rates.	148

(2) Correspondence with Newfoundland reference Port-aux-Basques-Canso Cable.

1919					
233	To the Governor ...	Newfoundland Confidential	October 30	Refers to the closing, in 1918, of the cable between Port-aux-Basques and Canso, and suggests that the line might be re-opened and extended to Halifax, where it could be linked up with the Imperial cable.	148
1920					
234	The Governor ...	Newfoundland Confidential	May 13 (Rec. June 7)	States, with reference to No. 233, that the whole question of cable communication and wireless stations is under consideration of Ministers.	150

(3) Proposed Duplication of Pacific Cable.

1920					
235	To the Governors-General	Canada, Commonwealth of Australia, New Zealand, Confidential	June 9	Transmits copy of a confidential memorandum by the Pacific Cable Board on proposals for the duplication of the Pacific Cable, and requests views of Ministers.	150

1920					
236	To the Administrator and Governors-General	Canada, Commonwealth of Australia, New Zealand Telegram	July 28	Urges acceptance of proposals for duplication of the Pacific Cable submitted in No. 235.	158
237	The Administrator ...	New Zealand Telegram	(Rec. Aug. 12)	Concurs in proposed duplication of Pacific Cable.	158
1921					
238	The Governor-General	Canada Confidential	January 26 (Rec. Feb. 8)	Transmits copies of an approved Minute of the Privy Council recommending that the proposal to duplicate the Pacific Cable be accepted.	154
239	Ditto ...	Commonwealth of Australia Telegram	December 19 (Rec. Dec. 19)	States that Commonwealth Government agrees to proposal to duplicate the Pacific Cable.	154

RESOLUTION XV.: CHANNELS OF COMMUNICATION.

(1) Correspondence arising out of the Conference Resolution.

1919					
240	To the Governor-General	Commonwealth of Australia Secret	January 10	Appreciates the views expressed in the Governor-General's despatches of 23rd and 28th October, regarding direct communication between Prime Ministers, but considers that the matter should remain in abeyance until experience has shown how the new system works.	155
241	The Governor-General	Commonwealth of Australia Secret "p"	June 16 (Rec. Aug. 11)	Comments on the effect which the new status of the Dominions, as members of the League of Nations, will have on their relations to the Mother Country and to foreign powers, and on the position of the Governor-General; also points out the need for a diplomatic agent of the British Government in Australia.	156
242	Ditto ...	Commonwealth of Australia Secret	October 31 (Rec. Dec. 12)	Submits request from Prime Minister that he may be furnished with a cypher for use when communicating direct with the Prime Minister of the United Kingdom.	157
1920					
243	To the Governor-General	Commonwealth of Australia Secret	January 5	Transmits, for use of Prime Minister, copy of cypher M. 1917.	157
244	Ditto ...	Canada Secret	January 13	Transmits, for use of Prime Minister, copy of cypher M. 1917.	157

(2) Correspondence with Canada.

1919					
245	To Foreign Office ...	—	April 10	Transmits copy of letter from Sir R. Borden to the Prime Minister, requesting that communications to and from the Embassy at Washington may be sent to Ottawa.	158

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Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
			1919		
246	Foreign office ...	—	May 17	Transmits copies of letter from Mr. Balfour and despatch from His Majesty's Ambassador at Washington, respecting the communication of correspondence with Washington to Canada.	158
247	To the Governor-General	Canada Confidential	May 28	Transmits copy of a letter from Sir R. Borden to the Prime Minister, requesting that despatches to and from the Embassy at Washington may be communicated to Ottawa; and states that the necessary instructions have been given.	158

RESOLUTION XVI.: IMPERIAL MINERAL RESOURCES BUREAU.

			1919		
248	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 495	June 20	Transmits copies of Order in Council granting a Charter to the Imperial Mineral Resources Bureau, and draws attention to the appointment of Professor Thomas Turner as a Governor of the Bureau in place of Professor H. C. H. Carpenter.	160

RESOLUTION XVII.: DEMOBILIZATION.

(See Note on page 236 of Dominions No. 61.)

RESOLUTION XVIII.: PETROLEUM.

(1) General Correspondence.

			1919		
249	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 33	January 15	Transmits copies of Petroleum (Production) Act, 1918.	167
250	The Governor-General	Union of South Africa Confidential	March 10 (Rec. Apr. 9)	Transmits copy of a Minute from Ministers as to the petroleum position in the Union.	167

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Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
			1919		
251	To the Governors-General	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 437 Confidential	May 31	Transmits statement shewing the petroleum production and consumption of the British Empire, and requests that Government publications on this subject may be sent direct to His Majesty's Petroleum Executive.	168
252	The Deputy Governor-General	New Zealand Confidential (2)	June 23 (Rec. Aug. 26)	Reports that there appears to be no question of general interest in the Dominion which requires to be submitted to the Imperial Petroleum Executive, and communicates the state of the present position of the industry in New Zealand.	173
253	The Governor-General	New Zealand Confidential	September 5 (Rec. Oct. 20)	Gives particulars of the petroleum production of New Zealand, and encloses statement of imports for the years 1916, 1917 and 1918.	173
254	Ditto ...	Union of South Africa Confidential	October 8 (Rec. Oct. 29)	Transmits Minute from Minister stating that the Union does not produce petroleum or its products, but that statistics giving import and re-export of mineral oils, and copies of publications (as stated) have been sent direct to His Majesty's Petroleum Executive.	174
255	The Governor ...	Newfoundland, Confidential	October 20 (Rec. Nov. 7)	States that arrangements have been made for the transmission of publications on the subject of petroleum direct to His Majesty's Petroleum Executive, and transmits copy of a report on the Parsons Pond Oilfield, furnished to the Minister of Mines.	175
			1921		
256	The Governor-General	Commonwealth of Australia Confidential	December 17, 1920 (Rec. Feb. 18, 1921)	Summarizes information in respect of the position as regards oilfields in the Australian States and Commonwealth Territories.	176
257	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 159 Confidential	April 20	Transmits copy of despatch from His Majesty's Ambassador at Washington, and summary of enclosed report on the petroleum industry in the United States, and communicates observations supplied by the Petroleum Department in connexion with the report drawing attention to the threatened embargo on oil exports from the United States.	180

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
258	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 294	July 19	Transmits copy of [Cmd. 1351] containing a despatch from His Majesty's Ambassador at Washington enclosing a memorandum on the Petroleum situation.	181
259	Ditto ...	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Confidential	July 19	In connexion with No. 258, invites reference to No. 257.	182

(2) Oil Discoveries in the Mackenzie River Basin.

Canada.

1921					
260	To the Governor-General	Telegram	January 15	Understands that the question of route of a pipe-line for conveying oil from the Mackenzie River Basin may shortly come before the Canadian Government, and states that the Admiralty hope that every effort will be made to secure that outlet shall be on British territory.	182
261	The Governor-General	Secret	March 1 (Rec. Mar. 15)	States that it is understood that application will be made to Parliament next Session for an Act to incorporate a company with power to construct a pipe-line in the direction indicated, and adds that every consideration will be given by the Department of the Interior to representations in No. 260.	182
262	To the Governor-General	Secret	May 16	Asks whether the Canadian Government would agree to direct communication between the Petroleum Department and the Department of the Interior as to the details of the oil and gas regulations.	183
263	The Deputy Governor-General	Secret	July 14 (Rec. July 25)	States that the Dominion Government Petroleum Engineer is now investigating in the Mackenzie district, and adds that an application appears to have been made to the Government of Alberta for permission to construct a pipe-line towards Edmonton, as this is considered the only feasible route; also observes that there appears to be no objection to suggestion in No. 262.	183

RESOLUTION XIX.: NATURALIZATION.

RESOLUTION XX.: NATIONALITY AND NATURALIZATION.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1919					
264	The Governor-General	Commonwealth of Australia, Telegram	April 4	States that Commonwealth Government is preparing a Bill to adopt Part 2 of the British Nationality and Status of Aliens Act, 1914, as amended to date.	185
265	Ditto ...	Canada, Telegram	April 5 (Rec. Apr. 6)	Submits proposals to amend Naturalization Act to accept services overseas in lieu of requirements as to residence.	185
266	Ditto ...	New Zealand, Secret	February 10 (Rec. Apr. 14)	Transmits memorandum from Attorney-General explaining reasons for delay in tendering advice on the subject of naturalization.	186
267	To the Governor-General	Canada, Telegram	May 18	Suggests, in reply to No. 265, that object aimed at might be attained by the adoption of section 2 of the British Naturalization Act of 1918, rather than by fresh legislation which would have effect in Canada only.	187
268	The Governor-General	New Zealand, Secret (2)	August 28 (Rec. Oct. 20)	Forwards memorandum prepared by the Attorney-General on the naturalization of aliens, and asks that it may be submitted to the Law Officers for their comments, also draws attention to the New Zealand "Revocation of Naturalization Act" of 1917, and asks permission to lay the Attorney-General's memorandum upon the table of Parliament.	187
269	To the Governor-General	Canada, 588	December 8	Points out, with reference to the proposal of the Canadian Government to move the amendment of section 8 (4) B of the Imperial Naturalization Act, that this section relates only to the United Kingdom, and is not intended to form part of the Imperial law of naturalization.	196
270	Ditto ...	New Zealand, Telegram	December 27	Deprecates legislation on the lines of the memorandum enclosed in No. 268, and does not consider that the question is one for submission to the Law Officers; suggests that the New Zealand Attorney-General should prepare a memorandum for the consideration of the Special Conference on Nationality and Naturalization, and that he should attend the next meeting.	196

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
271	To the Governors-General and Governor	Canada, 493 Commonwealth of Australia, 964 New Zealand, 176 Union of South Africa, 303 Newfoundland, 183	September 10	Transmits copy of draft Bill to amend the British Nationality and Status of Aliens Acts, 1914 and 1918, so as to provide for the nationality of children of British parents born abroad.	196
272	The Governor-General	Union of South Africa, 717	November 2 (Rec. Nov. 22)	Transmits minutes from Ministers concurring in the terms of the draft Bill enclosed in No. 271, and stating that it is proposed to include the terms of the amendments in the Bill to be introduced into the Union Parliament next session.	199

RESOLUTION XXI.: RECIPROCITY OF TREATMENT BETWEEN INDIA AND THE DOMINIONS.
(See Note on page 200.)

RESOLUTION XXII.: IMPERIAL COURT OF APPEAL.
(See Note on page 201.)

IV.

SHORTHAND REPORTS OF IMPERIAL CONFERENCE DEBATES.

1919					
273	General Botha (Prime Minister) to Mr. Walter Long	Union of South Africa	January 10	States that he and General Smuts consider that shorthand reports of Imperial Conference debates may be abolished.	202
274	India Office ...	—	January 27	Concurs in proposal to discontinue shorthand reports of Imperial Conference debates.	202
275	Major H. C. Thornton (Colonial Office) to Mr. W. M. Hughes (Prime Minister)	Commonwealth of Australia, Confidential	March 24	Transmits copy of a despatch sent to the Dominion Governments in September, 1918, relative to the proposed abolition of shorthand reports of Imperial Conference debates, and of the Commonwealth Government's reply.	202
276	Mr. Hughes (Prime Minister) to Lord Milner	Commonwealth of Australia, Confidential	April 8	Considers that each Imperial Conference should have the right to decide for itself whether shorthand reports of its debates shall be taken.	208
277	To the Governor-General	Commonwealth of Australia, Confidential (2)	May 22	Transmits copies of Nos. 275 and 276, and states that, in the circumstances, the matter of the abolition of shorthand reports of Conference debates will be held over until the next Conference.	203

V.

IMPERIAL MEETINGS, 1921.
PRELIMINARY ARRANGEMENTS.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
278	The Governor-General	Union of South Africa, Telegram Secret (Extract)	March 4 (Rec. March 4)	Conveys message from General Smuts, who considers it desirable, for reasons stated, that an Imperial Conference on constitutional relations in the Empire should be held at an early date.	205
279	To the Governor-General	Union of South Africa (Extract)	March 27	Transmits, in reply to No. 278, message from Prime Minister stating that it is considered doubtful whether a Constitutional Conference could be held with any advantage before 1921, but expressing the opinion that a preliminary meeting of Premiers this year is desirable, and invites views of Ministers on suggestion by Canadian Government that this meeting should be held at Ottawa in October.	206
280	To the Governors-General	Commonwealth of Australia, New Zealand, Telegram Secret	March 27	Urges, in view of many matters of Imperial consequence, the desirability of a meeting of Prime Ministers being held in the autumn, and requests views as to Ottawa as the place of the contemplated meeting.	206
281	The Governor-General	New Zealand, Telegram Secret	(Rec. Mar. 31)	Communicates message from Prime Minister to Mr. Lloyd George concurring in proposal that Conference of Prime Ministers should be held at Ottawa, but suggesting that meeting be postponed until 1921.	207
282	The Governor-General	Union of South Africa, Telegram Secret	April 3 (Rec. Apr. 3)	Transmits message from Prime Minister expressing the opinion that London would be more convenient than Ottawa for the proposed Prime Ministers' Conference.	207
283	Ditto ...	Commonwealth of Australia, Telegram Secret	(Rec. Apr. 14)	Transmits message for Prime Minister stating that it would be impossible for the Commonwealth Prime Minister to attend a Conference in Ottawa this year, and expressing the hope that arrangements will be made for the meetings to be held in London next year.	208
284	To the Officer Administering Government	Canada, Telegram Secret	April 28	States that, as the result of communications with the Prime Ministers of New Zealand, Australia and the Union of South Africa, the meetings of the Imperial Cabinet, and of the Constitutional Conference, must be postponed till next year.	208
285	To the Governors-General	Commonwealth of Australia, New Zealand, Union of South Africa, Telegram Secret	April 28	Transmits message for Prime Ministers stating that, in view of replies to Nos. 279 and 280, it is clear that difficulties in the way of holding a plenary session of Imperial Cabinet this year are insuperable, and that the Canadian Government has been so informed.	209

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
286	The Governor-General	Commonwealth of Australia, Telegram	(Rec. Aug. 18)	Conveys message from Prime Minister inquiring as to probable duration of meeting of assembly of League of Nations, and whether it would be possible to arrange for a meeting of the Imperial Cabinet after its conclusion to discuss questions to be submitted to the Imperial Conference.	209
287	To the Governor-General	Commonwealth of Australia, Telegram Secret	August 19	Replies to inquiries in No. 286.	209
288	To the Governors-General and Administrator	Canada, Union of South Africa, New Zealand, Telegram Secret	August 19	Communicates suggestion of the Commonwealth Government that an Imperial Cabinet shall be held in London after the League of Nations meeting, to discuss the Imperial Conference agenda.	210
289	To the Governor ...	Newfoundland, Telegram Secret	August 19	Ditto.	210
290	The Governor-General	Commonwealth of Australia, Telegram	(Rec. Aug. 28)	Conveys message from Prime Minister explaining that suggestion in No. 286 was conditional upon other Dominions being represented by their Prime Ministers at the proposed meeting.	210
291	The Administrator ...	New Zealand, Telegram Secret	(Rec. Aug. 24)	States, in reply to No. 288, that Prime Minister fears he will not be able to attend proposed meeting of Imperial Cabinet, but will make arrangements for representation of New Zealand.	211
292	To the Governors-General	Canada, Union of South Africa, Telegram	August 25	Communicates purport of No. 290.	211
293	The Governor-General	Union of South Africa, Telegram Secret	August 25 (Rec. Aug. 27)	States, for the reasons given, that Prime Minister will be unable to attend suggested Imperial Cabinet meeting, and that he fears that Prime Ministers who attend this year will not attend the more important meeting next year.	211
294	Ditto ...	Canada, Telegram	August 28 (Rec. Aug. 28)	States, in reply to No. 292, that Canadian Prime Minister will not attend at Geneva.	212
295	To the Governors-General	Canada, Union of South Africa, Telegram	August 30	States, with reference to Nos. 294, 293 and 292, that Prime Minister of [the Union] [Canada] will not attend the proposed conference, and Commonwealth Prime Minister has been so informed.	212
296	To the Governor-General	Commonwealth of Australia, Telegram	August 30	States, with reference to No. 290, that Prime Ministers of the Union of South Africa, New Zealand and Canada are not going to Geneva.	212

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page
1920					
297	To the Administrator	New Zealand, Telegram	August 30	Communicates purport of No. 290, and states that Prime Ministers of the Union and Canada will not attend at Geneva, and that the Commonwealth Prime Minister has been so informed.	212
298	To the Governor ...	Newfoundland, Telegram	August 30	Communicates purport of No. 290, and states that Prime Ministers of Canada, the Union, and New Zealand will not attend the proposed conference, which it is presumed will therefore not take place.	213
299	The Governor-General	Canada, Telegram Secret	August 30 (Rec. Aug. 31)	States that it will be impossible for Prime Minister to attend the proposed meeting this year of the Imperial Cabinet, and adds that his Government is doubtful whether the proposed Constitutional Conference can be held with advantage in new year.	213
300	Mr. Hughes to Mr. Lloyd George	Commonwealth of Australia, Telegram Secret	(Rec. Oct. 8)	Urges that a meeting of Dominion Prime Ministers be held in 1921 to discuss Imperial policy regarding foreign affairs, etc.	213
301	To the Governors-General	Canada, New Zealand, Union of South Africa, Telegram Secret	October 13	Conveys message from Mr. Lloyd George to Prime Ministers suggesting that a meeting of the Imperial Cabinet should be held not later than June, 1921.	214
302	The Governor-General	New Zealand, Telegram	October 23 (Rec. Oct. 23)	States, in reply to No. 301, that, in view of industrial unrest, Prime Minister will probably be unable to attend proposed Imperial Conference next year, and suggests that Attorney-General or Sir James Allen might represent New Zealand.	215
303	Ditto ...	Canada, Telegram Secret	October 23 (Rec. Oct. 23)	Transmits message for Mr. Lloyd George stating, in reply to No. 301, that New Zealand Prime Minister is prepared to attend proposed meeting of Imperial Cabinet.	215
304	The Officer Administering Government	Union of South Africa, Telegram Secret	October 22 (Rec. Oct. 24)	States that General Smuts requests that Mr. Lloyd George may be informed that, if the proposed Prime Ministers' Conference is held in the latter part of June, 1921, he hopes to be able to attend.	216
305	To the Officer Administering Government	Union of South Africa, Telegram Secret	November 1	States, with reference to No. 304, that Mr. Hughes and Mr. Meighan will attend the meeting, and Mr. Massey will send a representative if he is prevented from coming; also that the meeting has been fixed for June, 1921.	216
306	To the Governor-General	New Zealand, Telegram Secret	November 1	States, with reference to No. 302, that meetings of Imperial Cabinet have been fixed for June, 1921.	216
307	Ditto ...	Canada, Telegram Secret	November 1	States, with reference to No. 303, that the proposed Imperial Cabinet meeting has been fixed for the middle of June, 1921.	217

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
808	To the Governor-General	Commonwealth of Australia, Telegram Secret	November 1	Concurs in views expressed in No. 300, and states that the meetings of the Imperial Cabinet have been fixed for the middle of June, 1921.	217
809	To the Governor ...	Newfoundland, Telegram Secret	November 2	States that a meeting of the Imperial Cabinet will be held in June, 1921, and Mr. Lloyd George hopes that it will be convenient for the Newfoundland Prime Minister to attend.	218
310	House of Commons	—	November 11	Question asked by Commander Locker-Lampson as to the date of the next Imperial Conference, and the Prime Minister's reply thereto.	218
311	Ditto ...	—	November 17	Question asked by Mr. Hurd as to whether a conference on Imperial defence shall be held simultaneously with the Imperial Conference, and Mr. Bonar Law's reply thereto.	218
312	The Governor-General	New Zealand, Telegram Secret	(Rec. Dec. 24)	Conveys, for the information of the Imperial Prime Minister, message from his Prime Minister that, unless something of serious moment should occur, he regrets that it will not be possible for him to attend the meetings of the Imperial Cabinet next year.	219
1921					
313	The Governor ...	Newfoundland, Confidential	January 3 (Rec. Jan. 24)	States that his Prime Minister has informed him that he expects to be able to attend the Conference.	219
314	To the Governor-General	New Zealand, Telegram	January 25	Transmits message from Mr. Lloyd George to the Prime Minister of New Zealand urging the latter to attend the Conference to be held in June.	220
315	The Governor-General	New Zealand, Telegram	(Rec. Feb. 4)	Conveys Prime Minister's message to Mr. Lloyd George stating that he hopes to be present at the Conference unless a serious industrial upheaval intervenes.	220
316	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram Secret	February 26	Sends proposed agenda for the forthcoming conference, and states that relevant memoranda will be forwarded later, also asks that expert advisers on Defence and Civil Aviation may reach the United Kingdom three weeks before the meetings commence.	220
317	The Governor-General	New Zealand, Telegram	March 3 (Rec. Mar. 3)	Conveys message from Prime Minister stating that he does not consider it necessary to bring advisers on naval and aerial questions from New Zealand, but he would be glad of the technical advice of Captain Dreyer and Colonel Robertson whilst in England.	221

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
318	The Governor-General	Canada, Telegram	March 14 (Rec. Mar. 16)	States, with reference to No. 316, that Prime Minister and his colleagues will be prepared to make statements on questions of major importance, but he considers that time will not allow of effective discussion of more technical matters, and does not propose to bring advisers, also inquires as to the intentions of the other Dominion Governments.	222
319	To the Governor-General	New Zealand, Telegram	March 16	Accedes to request in No. 317, and presumes that consultations will not greatly interfere with Colonel Robertson's ordinary duties.	222
320	Ditto ...	Canada, Telegram	April 2	States, in reply to No. 318, that no communications have been received from the other Dominion Governments to indicate their intentions.	222
321	The Governor-General	New Zealand, Telegram	April 21 (Rec. Apr. 21)	States that his Prime Minister considers the subjects enumerated in No. 316 are of main importance, but suggests Condominium control of New Hebrides and improved inter-Imperial shipping communication as additional subjects for discussion.	223
322	To the Governors-General and Governor	Canada, Commonwealth of Australia, Union of South Africa, Newfoundland, Telegram	April 26	States, with reference to No. 316, that the Prime Minister of New Zealand proposes the present Condominium control of the New Hebrides as an additional subject for discussion at the meeting of Prime Ministers.	223
323	House of Commons	—	April 28	Questions as to the agenda for the forthcoming Conference, its title, and date of first meeting; and the Under-Secretary of State's reply thereto.	223
324	The Governor ...	Newfoundland, Telegram (Extract)	May 17 (Rec. May 18)	Considers it improbable that the Prime Minister will be able to attend the coming Conference.	224
325	House of Commons	—	May 26	Questions as to the business of the Conference; and the Secretary of State's reply thereto.	224
326	Ditto ...	—	May 30	Question as to prior discussion in the House of the subjects in the Conference agenda; and the Prime Minister's reply thereto.	225
327	Ditto ...	—	May 30	Question by Mr. Hurd as to whether the Prime Minister would agree to the term "Imperial Cabinet Conference" in connexion with the forthcoming Conference; and the Prime Minister's reply thereto.	225
328	The Governor ...	Newfoundland, Telegram (Extract)	(Rec. June 17)	States that he can obtain no definite reply from his Prime Minister as to whether he will attend the coming Conference; but he is reported to have stated in the House of Assembly that he would not proceed to the United Kingdom this year.	225

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1921		
329	The Governor ...	Newfoundland, Telegram	June 17 (Rec. June 17)	States that Prime Minister regrets that it is impossible for him to attend the Conference.	226

SUMMARY OF PROCEEDINGS AND DOCUMENTS [Cmd. 1474]

SECTION VI (a) : IMPERIAL DEFENCE—NAVAL.

(See Note on page 227.)

SECTION VII (a) : IMPERIAL AIR COMMUNICATIONS.

			1921		
330	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 369	September 5	Transmits copies of the report of the Imperial Air Communications Committee submitted to the Conference of Prime Ministers, held in June, 1921, and quotes Resolution adopted by the Conference; encloses extract from House of Commons debate of 16th August, 1921, respecting the disposal of the Howden, Pullham and Croydon Aerodromes.	228
331	To the Governors-General	Commonwealth of Australia, New Zealand, Union of South Africa, Telegram	December 13	Asks for early decision respecting the air communications scheme.	229
332	Ditto ...	Commonwealth of Australia, New Zealand, Union of South Africa, Telegram	December 13	States that No. 331 was sent to Australia, New Zealand and the Union of South Africa.	229
333	The Governor-General	Commonwealth of Australia, Telegram	December 13 (Rec. Dec. 13)	Transmits message for Mr. Lloyd George from Prime Minister quoting motion passed unanimously by the Senate and House of Representatives, and urging His Majesty's Government to accede to the request for an extension of period during which airships and material will be available until Commonwealth Parliament has had an opportunity for discussing proposals to co-operate with the United Kingdom and other Dominions for the establishment of an Imperial Air Service.	229
334	To the Governors-General	New Zealand, Union of South Africa, Telegram	December 19	Communicates purport of No. 333.	230

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1921		
335	The Governor-General	New Zealand, Telegram	December 28 (Rec. Dec. 28)	States that, in view of present financial position, Government of New Zealand have decided, with regrets, that they cannot make any contribution towards the Imperial airship scheme.	230
336	To the Governors-General	Commonwealth of Australia, Union of South Africa, Telegram	December 30	Communicates purport of No. 335.	230

SECTION VII (b) : IMPERIAL WIRELESS SCHEME.

			1919		
337	To the Governors-General and Governor	Canada, Commonwealth of Australia, Union of South Africa, New Zealand, Newfoundland, Telegram	November 22	Requests that Ministers be informed that an Imperial Wireless Communications Committee has been appointed, and states terms of reference.	231
338	The Governor-General	Canada, Telegram	December 20 (Rec. Dec. 20)	Reports on Marconi Company's scheme for the establishment of a trans-Pacific wireless station, and asks if action should be suspended on their application for a licence pending the receipt of the report of the Imperial Committee.	231
			1920		
339	To the Governor-General	Canada, Telegram	January 7	In reply to No. 338, expresses the hope that the Naval Service Department will take no action as regards the grant of a licence to the Marconi Company pending the report of the Wireless Committee.	232
340	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 274	July 8	Transmits copy of the Report of the Imperial Wireless Telegraphy Committee, 1919-20.	232
341	To the Governors-General	(Extract) Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Telegram Confidential	August 11	States that His Majesty's Government is prepared to adopt the recommendations of the Imperial Wireless Telegraphy Committee, subject to the proviso indicated.	232

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
342	To the Governor-General	Canada, Telegram	September 4	Draws attention to paragraph 43 of the Report of the Imperial Wireless Telegraphy Committee, and states that, unless the Canadian Government contemplate the erection of a high-power Government station on the Pacific Coast, there appears to be no reason why a licence should not now be granted to the Canadian Marconi Company to erect such a station.	233
343	The Officer Administering Government	New Zealand, Telegram	(Rec. Sept. 10)	Concurs generally in Imperial Wireless Telegraphy scheme submitted by the Committee, but raises various points of detail.	233
344	The Governor-General	Commonwealth of Australia, Telegram	September 17 (Rec. Sept. 17)	States that Government is prepared to adopt Imperial Wireless Committee's recommendations for the creation of a wireless system, but withholds concurrence regarding wireless communication with foreign countries pending further consideration, and requests information respecting appointment of Executive Committee.	234
345	The Acting Governor-General	Union of South Africa, Confidential	November 6 (Rec. Dec. 6)	Transmits copy of Ministers' minute stating that decision regarding the Imperial Wireless scheme is being delayed pending consideration of the question of utilizing the engine-power already existing at the Windhuk Station for municipal lighting and power in addition to its original purpose.	234
346	The Governor-General	Canada, Telegram	December 10 (Rec. Dec. 11)	States, in reply to Nos. 341 and 340, that recommendation No. 5 of the report, relating to the establishment of communication by valve stations between England and Canada, appears to be the only point in which Canada is interested, and the Canadian Government is prepared to discuss this proposal with the Imperial Government.	235
347	Ditto ...	Canada, Secret	December 13 (Rec. Dec. 23)	Transmits copy of letter from the External Affairs Department, conveying the views of the Canadian Government respecting the proposals of the Imperial Wireless Telegraph Committee so far as Canada is affected.	235
1921					
348	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Telegram	January 21	Reports the appointment of the Wireless Telegraphy Commission, and states the terms of reference.	236
349	To the Governor-General	Union of South Africa 158	May 5	States that it is proposed to carry out a series of tests in connexion with the Wireless Telegraph scheme, and inquires whether Ministers see any objection to the sending of two technical experts to South Africa in July next for this purpose.	237

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1921					
350	The Governor-General	Union of South Africa 390	June 10 (Rec. June 29)	Transmits Ministers' minute suggesting that, before any decision is arrived at in regard to sending experts to South Africa to carry out tests in connexion with the Imperial Wireless scheme, consideration should be given to the Union Government's scientific adviser's report on the position respecting the Windhuk Wireless Station.	237
351	To the Governor-General	Union of South Africa 378	November 19	Transmits copy of a report by the Wireless Telegraphy Commission on Windhuk as the terminal station of the African chain, and states the present position with regard to the erection of stations; also inquires whether Ministers would now agree to a visit to South Africa of the two experts named for the purpose of carrying out tests.	238
352	Ditto ...	Commonwealth of Australia, Telegram	December 19	Refers to press report of proposals of two private companies for direct wireless communication between Australia and the United Kingdom, and expresses the hope that decision on these schemes will be deferred pending consideration of the report of the Wireless Telegraph Commission.	240

CORRESPONDENCE WITH GOVERNMENT OF NEWFOUNDLAND RELATIVE TO AN AGREEMENT WITH THE MARCONI WIRELESS TELEGRAPH COMPANY OF CANADA (INCLUDING REFERENCES TO THE PORT-AUX-BASQUES-CANSO CABLE.)

1920					
353	The Governor ...	Newfoundland, Telegram	October 12 (Rec. Oct. 12)	Indicating main points of the terms of an agreement entered into with the Marconi Company, and inquires whether the agreement conflicts with Admiralty rights or policy of His Majesty's Government.	241
354	To the Governor ...	Newfoundland, Telegram	October 18	States, in reply to No. 353, that important questions in connexion with the erection of wireless stations is under consideration, and, pending decisions, suggests that Ministers should not commit themselves to anything.	241
355	The Governor	Newfoundland, Telegram	(Rec. Oct. 31)	Conveys purport of letter from Ministers in support of the proposed agreement with the Marconi Company, and inquiring whether His Majesty's Government have purchased the Direct Cable Company's cable, and, if so, what terms and privileges can be offered to Newfoundland Government; suggests there is no objection to arranging, without delay, for the new direction-finding station at Signal Hill.	241
356	Ditto ...	Newfoundland	October 26 (Rec. Nov. 8)	Reports on the scope of the proposed agreement with the Marconi Company, and the action he has taken in the matter.	242

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
357	To the Governor ...	Newfoundland, Telegram	November 15	Requests that text of proposed agreement with Marconi Company may be sent without delay.	242
358	The Governor ...	Newfoundland, 209	November 16 (Rec. Dec. 6)	Encloses copy of proposed agreement with the Canadian Marconi Company, and sets forth the purport of Ministers' representations as to their objects in endeavouring to make the agreement.	243
359	Ditto ...	Newfoundland, Telegram	December 17, (Rec. Dec. 18)	Reports that Ministers are anxious to commence local work pending receipt of views of His Majesty's Government respecting the Marconi agreement.	248
360	To the Governor ...	Newfoundland, Telegram	December 24	Agrees, in reply to Nos. 355 and 359, to the establishment of a new direction-finding station at Signal Hill subject to delay in other matters, and states arrangements made by His Majesty's Government as regards cable communications.	248
1921					
361	The Governor ...	Newfoundland, Confidential	December 21 (Rec. Jan. 10)	Indicates views of his Ministers with regard to the proposed agreement, and states that they urge to be informed whether there is any definite Imperial policy involved which would be affected by their action.	248
362	To the Governor ...	Newfoundland, Telegram	January 22	Points out how Imperial interests will be affected by the proposed agreement, and urges that the Company's rights may be restricted with a view to safeguarding future Imperial schemes; also suggests that best means of improving cable facilities with Europe would be by extending Port-aux-Basques—Canoa cable to St. John's.	249
363	The Governor ...	Newfoundland, Confidential	July 4 (Rec. July 19)	Transmits press extract criticizing the Government for the failure to proceed with the contract with the Canadian Marconi Wireless Telegraph Company.	250
364	To the Governor ...	Newfoundland, Confidential	August 27	Replies to Newfoundland press criticism of the attitude of the General Post Office in the matter of the proposed agreement between the Newfoundland Government and the Canadian Marconi Company, and encloses copy of a letter to Mr. Cosker explaining the present position of the question of improving the cable communications.	251
365	The Governor ...	Newfoundland, Confidential (Extract)	November 28 (Rec. Dec. 14)	States that there is ministerial disagreement on the cable communication question.	253

SECTION VII (c) : IMPERIAL COMMUNICATIONS (SHIPPING).

(See under Resolutions XI. and XXIV. of the Imperial War Conference, 1918 (*supra*).)

SECTION VII (d) : IMPERIAL COMMUNICATIONS (WIRELESS TELEPHONY).

(No correspondence with the Dominions took place on this subject until 1922.)

SECTION VII (e) : IMPERIAL COMMUNICATIONS (CABLE AND WIRELESS RATES FOR PRESS MESSAGES).

(See under Resolution IX. of the Imperial War Conference, 1918 (*supra*).)

SECTION X. : EMPIRE SETTLEMENT AND MIGRATION.

(See Dominions No. 60.)

SECTION XI. : BRITISH EMPIRE PATENT.

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
1920					
366	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 25	January 20	Transmits, for observations of his Ministers, copy of a letter from the Board of Trade suggesting a conference of Dominions Patent Office representatives to discuss the question of instituting an Empire Patent, also a memorandum by the Comptroller-General of Patents.	258
367	The Governor ...	Newfoundland 38	March 10 (Rec. Mar. 27)	States, in reply to No. 366, that Ministers will await the views of the other Dominions and Colonies, and adds that the High Commissioner in London is being instructed to keep in touch with the Board of Trade.	260
368	The Governor-General	Union of South Africa 203	April 22 (Rec. May 11)	Transmits, in reply to No. 366, copy of Ministers' minute respecting the difficulties in devising an Empire Patents scheme.	260
369	Ditto ...	New Zealand 61	April 17 (Rec. June 11)	States, in reply to No. 366, that the difficulties connected with such a scheme prevent the Government from taking action without the fullest consideration; but Ministers agree that an exchange of views would be advantageous, and they will have a statement prepared.	261
370	Ditto ...	New Zealand 71	May 15 (Rec. June 30)	Transmits statement referred to in No. 369, criticizing proposals in No. 366.	262
371	Ditto ...	Canada 432	June 23 (Rec. July 6)	Transmits, in reply to No. 366, copy of a Privy Council minute agreeing to the proposed conference on the understanding that each part of the Empire shall retain control of the patent laws affecting it.	263
372	To the Governor-General	New Zealand 258	December 2	Communicates observations submitted by the Board of Trade on the criticisms in No. 370, and states that the Board are of opinion that the questions raised could best be discussed at the proposed technical conference.	264

Serial No.	From or to whom.	Despatch No., &c.	Date.	Subject.	Page.
			1920		
373	To the Governor-General	Union of South Africa 483	December 2	Submits, in reply to No. 368, explanatory remarks on the proposals in No. 366, and states that the Board suggest that the points raised by the New Zealand Government might be discussed at the proposed technical conference.	265
			1921		
374	The Governor-General	Union of South Africa 247	April 27 (Rec. May 18)	Transmits, in reply to No. 373, copy of Ministers' minute stating that they will endeavour to arrange for representation of the Union Patents Office at the proposed conference.	266
375	Extract from the Report of a Committee presided over by the Secretary of State for the Colonies.	—	July 19	Recommends that a Conference be held in London at an early date to consider a system of granting patents valid throughout the Empire.	266
376	To the Governors-General and Governor	Canada, Commonwealth of Australia, New Zealand, Union of South Africa, Newfoundland, Dominions 469	November 24	States that the Board of Trade suggest that the proposed Empire Patent Conference be fixed for 1st May, 1922, and asks whether Ministers will wish to be represented, and, if so, by whom; the memorandum enclosed in No. 366 would be put forward as a basis for discussion.	266

SECTION XII.: NATIONALITY.

(See under Resolutions XIX and XX of the Imperial War Conference 1918 (*supra*).)

CORRESPONDENCE

[1919, 1920, and 1921]

RELATING TO THE

**IMPERIAL CONFERENCE, 1911,
IMPERIAL WAR CONFERENCES
of 1917 and 1918,**

AND THE

IMPERIAL MEETINGS, 1921.

I.

**CORRESPONDENCE ARISING OUT OF THE RESOLUTIONS OF
THE IMPERIAL CONFERENCE, 1911.**

**RESOLUTION I: CONSULTATION OF DOMINIONS AS TO
INTERNATIONAL AGREEMENTS AFFECTING THEM.**

That this Conference after hearing the Secretary of State for Foreign Affairs cordially welcomes the proposals of the Imperial Government, viz.: (a) that the Dominions shall be afforded the opportunity of consultation when framing the instructions to be given to British delegates at future meetings of the Hague Conference, and that Conventions affecting the Dominions provisionally assented to at that Conference shall be circulated among the Dominion Governments for their consideration before any such Convention is signed; (b) that a similar procedure where time and opportunity and the subject matter permit shall, as far as possible, be used when preparing instructions for the negotiation of other International Agreements affecting the Dominions.

Secretariat Note.—For continuance of the correspondence arising out of this Resolution, see Dominions Nos. 75 and 81.

RESOLUTION VIII.: PROVISION FOR DESERTED WIVES AND CHILDREN.

That, in order to secure justice and protection for wives and children who have been deserted by their legal guardians either in the United Kingdom or any of the Dominions, reciprocal legal provisions should be adopted in the constituent parts of the Empire in the interests of such destitute and deserted persons.

(See page 9 of Dominions No. 61.)

9237

No. 1.

LOCAL GOVERNMENT BOARD to COLONIAL OFFICE.

(Received 12th February, 1919.)

SIR, Local Government Board, Whitehall, S.W.1, 11th February, 1919.
I AM directed by the President of the Local Government Board to advert to your letter of the 25th November last,* relative to the draft Maintenance Orders (Facilities for Enforcement) Bill, and to state that, so far as the Board are concerned, they see no objection to the Bill being proceeded with.

I am, &c.,
W. H. DUMSDAY,
for Assistant Secretary.

9237

No. 2.

COLONIAL OFFICE to HOME OFFICE, LOCAL GOVERNMENT BOARD FOR SCOTLAND, AND LOCAL GOVERNMENT BOARD FOR IRELAND.

[Answered by Nos. 3, 4, and 5.]

SIR, Downing Street, 7th March, 1919.
[To Home Office: With reference to your letter of the 14th of August, 1914,† and to previous correspondence.] [To Local Government Board for Scotland and Local Government Board for Ireland: With reference to the letter from this Department of the 5th August, 1914,‡] I am directed by Viscount Milner to transmit to you, to be laid before [Mr. Secretary Shortt,] [the Local Government Board for Scotland,] [the Local Government Board for Ireland,] the accompanying copy of correspondence§ relative to the draft Maintenance Orders (Facilities for Enforcement) Bill.

2. Lord Milner would be glad to learn whether [Mr. Shortt has] [the Local Government Board for Scotland have] [the Local Government Board for Ireland have] any objection to steps being taken to proceed with the Bill.

I am, &c.,
HENRY LAMBERT.

* No. 21 in Dominions No. 61. † No. 45 in Dominions No. 61. ‡ No. 43 in Dominions No. 61. § No. 21 in Dominions No. 61, and No. 1 in this volume.

605

17061

No. 3.

LOCAL GOVERNMENT BOARD FOR SCOTLAND to COLONIAL OFFICE.

(Received 18th March, 1919.)

[Answered by No. 7.]

Local Government Board,
Edinburgh, 17th March, 1919.

SIR,

Maintenance Orders (Facilities for Enforcement) Bill.

I HAVE submitted to the Local Government Board for Scotland your letter, dated 7th instant,* and accompanying copy of correspondence regarding the above Bill, and, in reply, I am directed to state that the Board have no objections to steps now being taken to proceed with the Bill.

The Board presume that the Lord Advocate's letter of 10th February, 1914,† to the Colonial Office will be given effect to.

I am, &c.,
ARTHUR GRANT,
Assistant Secretary.

17328

No. 4.

LOCAL GOVERNMENT BOARD FOR IRELAND to COLONIAL OFFICE.

(Received 19th March, 1919.)

Local Government Board,

SIR,

Dublin, 18th March, 1919.

WITH reference to your letter of the 7th instant,* I am directed by the Local Government Board for Ireland to state that, so far as the Board are concerned, they see no objection to the Maintenance Orders (Facilities for Enforcement) Bill being proceeded with.

I am, &c.,
A. R. BARLAS,
Secretary.

18579

No. 5.

HOME OFFICE to COLONIAL OFFICE.

(Received 26th March, 1919.)

[Answered by No. 14.]

SIR,

Home Office, Whitehall, 25th March, 1919.

IN reply to your letter of the 7th instant,* I am directed by Mr. Secretary Shortt to say, for the information of Secretary Viscount Milner, that he has no objection to the introduction of the Maintenance Orders (Facilities for Enforcement) Bill.

I am, &c.,
H. B. SIMPSON.

* No. 2.

† No. 19 in Dominions No. 57.

18579

No. 6.

COLONIAL OFFICE to LOCAL GOVERNMENT BOARD.

[Answered by No. 8.]

SIR, Downing Street, 11th April, 1919.

WITH reference to the letter from this Department of the 10th of March,* I am directed by Viscount Milner to transmit to you, to be laid before the Local Government Board, the accompanying copies of letters from the Local Government Board for Scotland,† the Local Government Board for Ireland,‡ and the Home Office,§ on the subject of the Maintenance Orders (Facilities for Enforcement) Bill, together with a copy of a further letter|| which has been addressed to the Local Government Board for Scotland. A copy of the despatch which was sent to the Governments of the Dominions and the Australian States on the 17th of December, 1914,¶ forwarding copies of the revised Bill, is also enclosed.

2. I am to observe that, although the Bill arose out of a resolution of the Imperial Conference of 1911, it is nevertheless a technical one, providing the necessary legal machinery in the United Kingdom to carry out the proposed objects, and leaving any Dominion or Colony which may wish to participate in the scheme to provide corresponding machinery of its own by local legislation.

3. Now that the principles of the Bill have been settled and the necessary communications made to the oversea Governments concerned, the Secretary of State feels that the details of the measure can best be dealt with by the Minister who has at his disposal expert knowledge of the legal procedure connected with maintenance orders in this country.

4. Lord Milner will, accordingly, be glad if the Board will take steps to have the Bill introduced into Parliament, and will take charge of it. Dr. Addison will no doubt take into consideration the question whether one of the Law Officers of the Crown should be asked to assist with the Bill in the House of Commons.

5. I am to ask that the references to Cyprus in clause 12 (2) may be omitted before the Bill is introduced.

I am, &c.,

HENRY LAMBERT.

18579

No. 7.

COLONIAL OFFICE to LOCAL GOVERNMENT BOARD FOR SCOTLAND.

[Answered by No. 9.]

SIR, Downing Street, 11th April, 1919.

I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 17th of March,† and to transmit to you, to be laid before the Local Government Board for Scotland, a print of a despatch, dated the 17th of December, 1914,‡ forwarding to the Governments of the Self-governing Dominions and the Australian States the revised draft of the Maintenance Orders (Facilities for Enforcement) Bill.

2. Lord Milner presumes that clause 11 of the Bill in its present form, which embodies amendments suggested to the Parliamentary Counsel through the Scottish Office in 1914, is in accordance with the wishes of the Board.

3. I am to transmit also a copy of a letter,** with its enclosures, which has been addressed to the Local Government Board for England on the subject.

I am, &c.,

HENRY LAMBERT.

* 9237, L.F., transmitting No. 2. † No. 3. ‡ No. 4. § No. 5. || No. 7.
¶ No. 47 in Dominions No. 51. ** No. 6.

27247

No. 8.

LOCAL GOVERNMENT BOARD to COLONIAL OFFICE.

(Received 6th May, 1919.)

SIR, Local Government Board, Whitehall, S.W.1, 5th May, 1919.

I AM directed by the President of the Local Government Board to advert to your letter of the 11th ultimo,* with reference to the draft Maintenance Orders (Facilities for Enforcement) Bill.

Dr. Addison desires me to point out with reference to paragraph 4 of your letter, that the Board are concerned with the Bill only to a very limited extent, viz., only in so far as it would apply to cases of maintenance orders where the person in whose favour the order is made is chargeable to the rates in England and Wales. As the Bill deals with the enforcement of maintenance orders generally, and moreover would apply to the whole of the United Kingdom, Dr. Addison considers that the Bill is not one which should be introduced by him. He suggests that the Home Secretary might advantageously be asked to introduce and take charge of the Bill.

I am, &c.,

D. DOLTON,

for Assistant Secretary.

34283

No. 9.

LOCAL GOVERNMENT BOARD FOR SCOTLAND to COLONIAL OFFICE.

(Received 9th June, 1919.)

SIR, Local Government Board, Edinburgh, 7th June, 1919.

Maintenance Orders (Facilities for Enforcement) Bill.

WITH reference to paragraph 2 of your letter, dated 11th April,† I am directed to state, for the information of Viscount Milner, that clause 11 of the above Bill in its present draft form, embodying amendments suggested to the Parliamentary Counsel through the Scottish Office in 1914, appears to the Board to be quite satisfactory.

I am, &c.,

ARTHUR GRANT,

Assistant Secretary.

43251

No. 10.

SCOTTISH OFFICE to COLONIAL OFFICE.

(Received 24th July, 1919.)

[Answered by No. 17.]

SIR, Scottish Office, Whitehall, S.W.1, 23rd July, 1919.

I AM directed by the Secretary for Scotland to refer to the draft Maintenance Orders (Facilities for Enforcement) Bill, and to state, for the information of the Secretary of State for the Colonies, that he desires to offer the following observations thereon:—

Clause 3.—Under this clause the taking of evidence in an undefended cause would appear to be contemplated. It is understood that the present practice in Scotland is for a decree to be granted in such a case without any hearing and without the taking of any evidence, and it is suggested that, if it is intended that evidence should be taken in undefended causes of the nature referred to in the clause, this should be specifically prescribed.

In subsection 5 of the same clause it is provided that the confirmation of a provisional order shall not affect any power of a Court of Summary Jurisdiction to

* No. 6.

† No. 7.

vary or rescind that order: in view, however, of the fact that Courts have no power apart from the provisions of the clause to issue provisional orders, it would appear safer that power to vary or rescind such orders should be specifically conferred.

Clause 4 (1).—This clause provides for the issue of a summons by the Court. In Scotland, however, it does not issue a summons, the practice being for a law agent to prepare a summons and to obtain a warrant from the Court for its service, which is effected either by post or by a Sheriff Officer. Presumably, under clause 11 (b) the law agent for the poor could take the necessary steps in accordance with the usual practice to secure the service of the summons, but he would inevitably incur some expenses in so doing. It would appear necessary that some provision should be made for payment of such expenses. Similarly, though witnesses would not often be called on behalf of the pursuer, it might occasionally be necessary so to do to rebut any evidence tendered by the defender, and provision for the expense thereby incurred would appear desirable.

Clause 6 (1).—The enforcement of an order would require the employment of a Sheriff Officer or a Messenger-at-Arms: such officials are paid not by salary but by fees received from the person employing them, and seeing that the cost of such employment might not be recovered from the defender, or, if recovered, might be so only after a long delay, it is suggested that the payment of an officer employed to enforce an order would require to be provided for.

I am, &c.,

JOHN LAMB

43908

No. 11.

CANADA.

GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 28th July, 1919.)

(No. 572.)

My LORD,

Government House, Ottawa, 12th July, 1919.

WITH reference to Mr. Harcourt's despatch No. 988, of the 17th December, 1914,* and Mr. Bonar Law's despatch No. 1199, of the 17th December, 1915,† on the subject of the draft Bill before the Imperial Parliament touching the reciprocal enforcement of maintenance orders, I have the honour to transmit, herewith, copies of various despatches setting forth the views of the several Provincial Governments of Canada in relation to this question.

I have, etc.,

DEVONSHIRE.

Enclosure in No. 11.

SIR,

Government House, Halifax, Nova Scotia, 19th June, 1919.

REFERRING to your despatch of the 6th May last, inviting my attention to previous correspondence regarding the draft Bill of the Imperial Parliament for the reciprocal enforcement of maintenance orders, I have now the honour to enclose copy of a letter from the Deputy Attorney-General, which embodies the views of my Ministers on the subject.

I have, etc.,

McCALLUM GRANT,

Lieutenant-Governor.

The Under-Secretary of State, Ottawa.

DEAR SIR,

Halifax, Nova Scotia, 17th June, 1919.

REFERRING to previous correspondence respecting the draft Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, and *vice versa*, and inquiring whether, in the event of this legislation being passed by the Imperial Parliament, it would be advisable for the Nova Scotia Government to enact reciprocal provisions, I beg to inform you that I have considered the matter and it seems to me that if the Bill is enacted by

* No. 47 in Dominions No. 51.

† See note to No. 27 in Dominions No. 59.

the Imperial Parliament it would be of very little service to this Province. - Its application would, I think, be confined to the enforcement in the United Kingdom of affiliation orders and judgments or decrees for alimony made in this Province.

The maximum amount of an affiliation order is only \$150.00, and the costs of enforcing such an order in the United Kingdom would be prohibitive. Judgments, or decrees, for alimony are comparatively rare, and it would, probably, be as easy, and not more expensive, to bring an action in the United Kingdom on the judgment, or decree, as to proceed under the provisions of the proposed legislation.

If the Province were to agree to an Act with reciprocal provisions, I think it would be necessary to make some alterations in the Act that this Province would pass, particularly in the case of maintenance orders made in the United Kingdom by a court of summary jurisdiction, as I do not think that the procedure prescribed by the proposed Act in such cases would be applicable to this Province.

Justices of the Peace in Nova Scotia have summary jurisdiction in certain cases, but they are not Courts in the strict sense of the term, or Courts that could register a maintenance order made in Great Britain. I am quite sure that a large majority of the Justices of the Peace in Nova Scotia would not understand the procedure to be followed, and the assistance of a lawyer would be necessary, which would add to the expense, and, probably, render the costs as large as the amount sought to be recovered under the maintenance order. The object sought to be obtained by the legislation is desirable, but it seems to me that, to make it effective, the procedure prescribed ought to be as simple as possible, and should not entail any expense out of proportion to the amount involved.

Yours truly,

F. F. MATHERS,

Deputy Attorney-General.

To the Deputy Provincial Secretary.

Government House, Charlottetown,

Prince Edward Island, 17th June, 1919.

SIR,

IN reply to a despatch of 19th December last from the Acting Under-Secretary of State, enclosing a draft of a Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, I beg to state that His Honour the Lieutenant-Governor (owing to his illness) has instructed me to say for him that his Ministers have not as yet given the matter of the aforesaid Bill any consideration, and the only information that His Honour has to give in reply to the said despatch is that the Premier and Attorney-General of this Province assert that there seems no necessity for any legislation in this Province securing the enactment of reciprocal provisions.

I have, etc.,

A. E. MACDONALD,

Private Secretary.

The Honourable the Secretary of State, Ottawa.

SIR,

Government House, Toronto, 29th May, 1919.

I HAVE the honour to refer to your despatch of the 19th December last regarding a draft Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, and *vice versa*, and subsequent despatches relating thereto.

As was stated in the preliminary reply to the said despatch, dated the 18th day of January last, my Government sent a copy of the said Bill to the Chairman of the Commission regarding the Uniformity of Provincial Laws for submission to the said Commission.

My Government has received from the said Commission a report to the effect that the said Commissioners had discussed the matter of the proposed Bill, from which report the following is quoted:—

"The Conference of Commissioners would gladly welcome a proposal from the Imperial Authorities to join in adopting reciprocal legislation in the Imperial Parliament and in the Ontario Legislature and in the Legislatures of the other Provinces of Canada, and even throughout the British Dominions, whereby the judgments in any of the various Courts throughout the Empire might be enforced in all the Dominions, or countries being parts of the Empire, other than the place in which the judgments are given. All

of such judgments should, in the opinion of the Conference, be obtained after personal service (or what would be equivalent thereto) upon the party condemned; but the members of the Conference are practically unanimous that it would be unwise and inexpedient to adopt the legislation proposed for introduction into the Imperial Parliament, because that legislation is so limited in its application, and is, in their opinion, so liable to create hardship, that the result would be that the acceptance by Ontario, or another Province, of the proposed Bill for the enforcement of judgments would, instead of leading to a general Act for reciprocal enforcement of judgments, tend in the opposite direction, and we would be less likely to get the general Act by reason of our having one such as that proposed to be introduced into the Imperial Parliament.

"As the claims under the proposed Act would probably be small, and the defendants impecunious in the majority of cases, it would not be fair to a defendant here to compel him to defend himself in England, or to go without a defence in this country.

"We, therefore, cannot advise the Government of Ontario to accept, or act upon, this proposed legislation, or to enact reciprocal legislation limited so much as that suggested, but at the same time we would welcome legislation in general terms for reciprocal enforcement of judgments generally throughout the Empire, or as between Great Britain and Ontario."

My Government considers the conclusion arrived at by the Commissioners to be correct, and does not think, in view of the report of the said Commission, that it should take steps to secure the enactment by the Legislature of this Province of reciprocal provisions of the limited character set out in the draft Bill above mentioned.

I have, etc.,
JOHN S. HENDRIE,
Lieutenant-Governor.

The Honourable the Secretary of State, Ottawa, Ontario.

SIR, Government House, Regina, 8th April, 1919.
I HAVE the honour to refer to your despatch of 19th December, 1919, enclosing, to be laid before my Ministers, a draft of a Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, and *vice versa*, and requesting to be informed whether, in the event of legislation being passed by the Imperial Parliament on the lines of this measure, my Ministers, upon consideration of the Bill, would be prepared to take steps to secure the enactment of reciprocal provisions in the Legislature of this Province, and informing me that the Bill was then before the Imperial Parliament, and has been accepted in principle by the Governments of all the other Dominions throughout the Empire.

I have the honour to inform you that I am advised by my Ministers that they would be prepared to take steps to secure the enactment of reciprocal provisions in the Legislature of this Province.

I have, &c.,
R. S. LAKE,
Lieutenant-Governor of Saskatchewan.

The Honourable the Secretary of State, Ottawa, Ontario.

SIR, Government House, Victoria, British Columbia, 12th May, 1919.
IN reply to your despatch of the 9th ultimo, on the subject of a draft Bill of the Imperial Parliament for the enforcement of maintenance orders, I have the honour to inform you that my Attorney-General expresses himself as follows:—

"I am prepared to recommend that legislation be enacted, making such orders, secured in any of His Majesty's dominions, outside of British Columbia, against a person residing in this Province, and forwarded here for enforcement, provisional only, and of no effect unless and until confirmed by a competent Court of this Province, on due notice to the defendant, and

on production of the depositions upon which such order was obtained, and the hearing of such evidence as the defendant may adduce in opposition thereto."

I have, &c.,
F. S. BARNARD,
Lieutenant-Governor.

The Under-Secretary of State, Ottawa.

DEAR SIR, Government House, Winnipeg, 15th March, 1919.
REVERTING to your Department's despatch of the 19th December last, transmitting draft of a Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, and *vice versa*, I now enclose herewith copy of a letter received from the Department of the Provincial Secretary, also the letter therein referred to from the Attorney-General.

Yours truly,
J. A. M. AIKINS,
Lieutenant-Governor.

The Honourable the Secretary of State, Ottawa.

MADAM, Winnipeg, Manitoba, 14th March, 1919.
I HAVE the honour to acknowledge receipt of your letter of the 3rd instant, calling attention to your previous communication of the 31st December last, enclosing draft Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of the Dominions, and *vice versa*.

In this connexion, I now have the honour to enclose herewith, for the information of the Secretary of State, the view of His Honour's Ministers on this question, as expressed by the Honourable the Attorney-General for Manitoba.

I have, &c.,
B. L. BALDWINSON,
Deputy Provincial Secretary.

Miss C. M. Laing,
Acting Private Secretary,
Government House, Winnipeg.

SIR, Winnipeg, Manitoba.

Re Maintenance Orders (Facilities for Enforcement) Act, 1914.

I HAVE your letter of the 3rd instant, enclosing draft Bill herein.
It is difficult for the Government of the Province to answer with much certainty as to whether or not such legislation would work out satisfactorily if the Legislature of Manitoba saw fit to enact the necessary legislation to carry out the desired ends.

Our legislation at present would not enable such a scheme as is proposed to be carried out. Hence, new legislation would have to be enacted by our Legislature.

Before the scheme of the draft Bill can be carried out it would be advisable that the substantive law, which leads to the orders, or judgments, referred to in the draft Bill, be uniform, otherwise our Courts would be really enforcing orders, or judgments, under laws which our Legislature has not approved of, and similarly with the Courts of the United Kingdom.

It is desirable, also, that the substantive law on such a matter be uniform, not only as between the United Kingdom and Manitoba, but as between Manitoba and the other Provinces of Canada. In a new country like Manitoba the laws as to maintenance do not, as I understand it, go so far as the laws in an old country like England, Ireland, or Scotland. Similarly, there are at present differences between the maintenance laws of Manitoba and the laws which prevail in the other Provinces of Canada.

At present there is a Commission for all Canada, which has to do with the promotion of the uniformity of laws for Canada. This Commission is taking steps to have the laws throughout Canada made uniform in all important matters. I have referred this draft Bill to this Commission, so as to get its view of this proposed legislation, as it seems eminently proper that it should first pass on such

matter before any sort of a final answer is given in regard to what legislation might be enacted by the Legislature of Manitoba. When an answer is received from this Commission I can again write you in this matter.

Yours very truly,
THOS. H. JOHNSON,
Attorney General.

B. L. Baldwinson, Esq.,
Deputy Provincial Secretary,
Buildings.

THE PROVINCIAL SECRETARY-TREASURER, FREDERICTON.

DEAR SIR, Chatham, New Brunswick, 24th January, 1919.

YOUR communication of the 19th December last to His Honour the Lieutenant-Governor was, together with the draft of a proposed Bill to facilitate the enforcement in the United Kingdom of maintenance orders, etc., laid before the Executive at a meeting held in the forepart of this month, and was referred to me for reply thereto.

I have much pleasure in informing you that whenever the Executive of this Province is informed of legislation having been passed by the Imperial Parliament, on the lines of said proposed Bill, the Executive shall be prepared to take steps to secure the enactment of reciprocal provisions in the Legislature of this Province.

Yours very sincerely,
ROBT. MURRAY,
Provincial Secretary-Treasurer.

F. Colson, Esq.,
Acting Under-Secretary of State,
Ottawa, Ontario.

SIR, Government House, Edmonton, 9th January, 1919.
WITH further reference to your despatch, 3588 S/BG, dated 19th December, 1918, I have the honour to forward you herewith a memorandum from the Attorney-General on a draft Bill to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, and *vice versa*.

I have, &c.,
RICHARD T. STAFFORD, Major,
Secretary to the Lieutenant-Governor.

Thos. Mulvey, Esq.,
Under-Secretary of State,
Ottawa.

ATTORNEY-GENERAL, ALBERTA.

Edmonton, 6th January, 1919.

Memorandum for Provincial Secretary.

THE Executive Council has had under consideration the Bill intituled an Act to facilitate the enforcement in the United Kingdom of maintenance orders made in other parts of His Majesty's dominions, and *vice versa*, and has decided that, as the Province of Alberta has no Poor Laws such as exist in the United Kingdom and Ireland, and as conditions here are not such that we expect to require similar legislation, the reciprocal provisions in this Bill would not be of any advantage to this Province. It has further been decided that to undertake to enforce maintenance orders against English immigrants in the Province of Alberta would likely have the effect of driving such immigrants across the border into the United States, and therefore it has been decided not to introduce legislation providing for reciprocity in the matter of maintenance orders.

J. R. BOYLE,
Attorney-General.

(1631/18.)

Province de Québec.

MONSIEUR, Hotel du Gouvernement, Québec, 1^{er} avril, 1919.
J'ai l'honneur, pour faire suite à votre dépêche, No. 3588, en date du 19 décembre, 1918, de vous transmettre le rapport de l'assistant procureur-général de la province de Québec, aux conclusions duquel mon gouvernement adhère entièrement.

J'ai l'honneur, etc.,
C. FITZPATRICK,
Lieutenant-Gouverneur.

L'honorable Secrétaire d'Etat,
Ottawa.

Québec, ce 26 mars, 1919.

RAPPORT SUR UNE RÉFÉRENCE DE L'HONORABLE SECRÉTAIRE DE LA PROVINCE, RELATIVE À UN PROJET DE LOI IMPÉRIALE INTITULÉ: "BILL TO FACILITATE THE ENFORCEMENT IN THE UNITED KINGDOM OF MAINTENANCE ORDERS MADE IN OTHER PARTS OF HIS MAJESTY'S DOMINIONS, AND VICE VERSA."

Le soussigné a l'honneur d'exprimer l'avis qu'une dépêche, basée sur les considérations suivantes, soit transmise au Secrétaire d'Etat du Canada, relativement au projet de loi ci-dessus mentionné:—

La question qui est soumise pour examen est celle de savoir si, advenant le cas où la législation prévue par le projet de loi dont il s'agit, serait adoptée par le Parlement Impérial, le gouvernement prendra les mesures nécessaires pour faire adopter une législation réciproque par notre législature.

Le soussigné, après avoir pris connaissance des documents ne voit pas d'objection au principe du Bill, qui d'ailleurs existe déjà dans notre Code de procédure civile, articles 210, 211, et 212.

Le projet de loi tend à rendre exécutoire dans le Royaume-Uni, sur simple enregistrement, les jugements pour pension alimentaire rendus dans les Dominions contre un défendeur dûment assigné. Une législation réciproque rendrait exécutoire dans la province de Québec de semblables jugements rendus dans le Royaume-Uni.

Une semblable législation existe en Angleterre, en Russie et en Irlande, et les jugements rendus dans une partie du Royaume-Uni, deviennent exécutoires dans l'autre sur simple enregistrement.

L'article 212 du Code de procédure civile va déjà très loin quant à ce qui concerne les jugements rendus dans les autres provinces, et il y a très peu de différence entre empêcher de produire une défense à l'encontre d'une action basée sur un jugement dans certain cas, et décréter qu'un tel jugement pourrait être exécuté après simple enregistrement.

Pour rencontrer l'esprit du projet de loi pour ce qui regarde l'exécution dans la province des jugements rendus contre certains défendeurs dans le Royaume-Uni, il suffira d'ajouter l'article suivant dans le titre des Jugements et de mentionner cette exception dans l'article 210.

"Art. . . Un jugement rendu dans le Royaume-Uni contre un défendeur assigné personnellement, ou qui a comparu, ordonnant le paiement d'une pension alimentaire pourra être entré dans les registres de la cour supérieure ou de la cour circuit, selon le cas; et un tel jugement ainsi enregistré pourra être exécuté dans cette province comme s'il avait été rendu par le tribunal de la cour où il a été enregistré."

Il reste le cas d'un jugement pour pension alimentaire rendu dans le Royaume-Uni contre un défendeur qui n'a pas été assigné personnellement ou qui n'a pas comparu et qui est transmis à une cour de cette province pour confirmation.

Ce cas tombe actuellement sous l'article 210 du Code de procédure civile, et il suffirait de l'assimiler au cas prévu par l'article 211, soit les jugements rendus dans les autres provinces du Canada, pour rencontrer l'esprit du projet de loi.

Le projet de loi procède cependant ensuite à indiquer la procédure à suivre depuis la réception de tel jugement jusqu'à la transmission de sa confirmation à la Cour qui a rendu le jugement principal. (Voir art. 3 du projet de loi.)

Si la procédure proposée tendait à améliorer notre mode de procéder, il y aurait lieu de tirer profit de la suggestion, mais il n'en est pas ainsi.

L'article 1,220 du Code civil déclare authentiques les copies des jugements rendus hors du Bas-Canada, lorsqu'elles sont revêtues du sceau de la Cour ou de la signature de l'officier ayant la garde légale du dossier de tel jugement.

L'article 552 du Code de procédure civile déclare en outre qu'un jugement par défaut peut être rendu sans preuve dans une action fondée sur un acte authentique. Donc, pas de nécessité de nous transmettre tout un dossier et pas de nécessité non plus de modifier notre procédure.

Dans le cas de contestation, on a oublié de nous dire quoi faire, à moins que l'on ne veuille nous faire procéder comme on se propose de le faire dans le Royaume-Uni, quant il s'agira de jugements rendus dans la province de Québec, Art. 4, sections 3, 4, et 5; voir aussi art. 3, section 3; c'est-à-dire que, au lieu de laisser nos tribunaux libres d'appliquer l'art. 211 ou autres semblables, on les forcerait, ainsi que le défendeur, à accepter le certificat d'un officier quelconque comme contenant tous les points de la défense qui auraient pu être soulevée si une défense avait été produite.

Je crois qu'il vaut mieux conserver intactes nos règles sur la contestation et l'enquête que d'accepter celles que l'on semble indiquer.

Les mêmes remarques s'appliqueraient aux jugements pour pension alimentaire rendus dans la province de Québec et transmis pour confirmation à une cour quelconque dans le Royaume-Uni.

Si le défendeur fait défaut après signification d'une action basée sur un tel jugement, ce dernier devrait être admis comme authentique et jugement devrait intervenir sans preuve et sans qu'il soit nécessaire de transmettre tout un dossier. Si le défendeur juge à propos de produire une défense, il nous faudra accepter le mode de procéder proposé par le projet de loi qui est, je suppose, le meilleur que l'on ait trouvé pour faciliter la confirmation de ces jugements.

Il y a un autre point sur lequel je désire attirer l'attention, savoir; que les jugements et documents les accompagnant devront être transmis d'une cour à une autre par l'entremise du lieutenant-gouverneur, du gouverneur général, du Secrétaire d'Etat et vice versa, ce qui a donné à l'auteur du projet de loi en question l'occasion de dire que le Secrétaire d'Etat pourra établir des règles pour faciliter les communications entre les différentes cours. Art. 5.

Il est bon de conserver notre autonomie et par suite nous ne pouvons consentir à ce que l'on donne au Secrétaire d'Etat la faculté de faire des règles concernant la procédure devant nos tribunaux.

Le moyen le plus simple serait de laisser l'initiative aux intéressés, et l'on continuera à voir un procureur ici communiquer avec son correspondant à Londres et ailleurs et vice versa.

Pour toutes ces considérations, le soussigné ne voit pas d'objection à ce qu'une loi soit adoptée par la législature ayant pour objet:—

10.—De rendre exécutoire après enregistrement au greffe de la cour supérieure ou de la cour de circuit, selon le cas, les jugements pour pension alimentaire rendu dans le Royaume-Uni;

20.—D'amender l'article 211 du Code de procédure civile de manière à assimiler les jugements pour pension alimentaire rendus dans le Royaume-Uni aux jugements rendus dans les autres provinces du Canada, et, à permettre la production d'une défense à l'encontre d'une action basée sur un tel jugement si le défendeur n'a pas été assigné personnellement ou n'a pas comparu.

L'assistant-procureur-général,
CHARLES LANCTOT.

43251

No. 12.

COLONIAL OFFICE to MINISTRY OF HEALTH.

[Answered by No. 13.]

SIR,

Downing Street, 13th August, 1919.

WITH reference to the letter from this Department of the 24th June,* addressed to the Local Government Board, I am directed by Viscount Milner to transmit to you, for the consideration of the Minister of Health, the accompanying copy of a letter from the Scottish Office† regarding the draft Maintenance Orders (Facilities for Enforcement) Bill.

* L.F. transmitting copy of No. 9.

† No. 10.

2. Lord Milner would be glad to be informed how the expenses indicated as likely to be incurred from the operation of clauses 4 (1) and 6 (1) of the draft Bill would be provided for in England.

His Lordship would be glad if he could be favoured with an early reply to this letter.

I am, &c.,

H. J. READ

50124

No. 13.

MINISTRY OF HEALTH to COLONIAL OFFICE.

(Received 29th August, 1919.)

SIR,

Whitehall, S.W.1, 28th August, 1919.

I AM directed by the Minister of Health to refer to Sir H. J. Read's letter of the 13th instant,* with reference to the draft Maintenance Orders (Facilities for Enforcement) Bill, and to state that, as intimated in the letter of the Local Government Board of the 5th May last,† this Department are concerned with the Bill only in so far as it would apply to cases of maintenance orders where the person in whose favour the order is made is chargeable to the rates.

The Department had, therefore, not considered the provisions of the draft Bill from the point of view of their adequacy as affecting courts of summary jurisdiction, which they regard as a matter within the cognizance of the Home Secretary. The question referred to in Sir H. J. Read's letter has been looked into by officers of the Department, and it would seem to them that some provision as to expense may be required, but the question appears to be one on which the Home Office should be consulted.

I am, &c.,

CHARLES KNIGHT,
Assistant Secretary.

50124

No. 14.

COLONIAL OFFICE to HOME OFFICE.

[Answered by No. 15.]

SIR,

Downing Street, 17th September, 1919.

WITH reference to your letter of the 25th of March,‡ I am directed by Viscount Milner to transmit to you, to be laid before Mr. Secretary Shortt, the accompanying copies of correspondence§ regarding the provisions of the draft Maintenance Orders (Facilities for Enforcement) Bill.

2. A copy of the Bill|| is enclosed, for convenience of reference, together with a copy of a draft memorandum¶ prepared by the Parliamentary Counsel.

3. Lord Milner would be glad if he could receive Mr. Shortt's observations on the subject at an early date.

I am, &c.,

HENRY LAMBERT.

* No. 12. † No. 8. ‡ No. 5. § Nos. 8, 10, 12 and 13. || Enclosure in No. 47 in Dominions No. 51. ¶ 47975; not printed.

57074

No. 15.

HOME OFFICE to COLONIAL OFFICE.

(Received 6th October, 1919.)

[Answered by No. 16.]

SIR,

Home Office, Whitehall, 3rd October, 1919.

HAVING laid before Mr. Secretary Shortt your letter of the 17th ultimo,* on the subject of the proposed Maintenance Orders (Facilities for Enforcement) Bill, I am directed by him to say that, in his opinion, it would be difficult to justify the expenditure of public moneys for the purpose of enforcing private claims such as those with which the Bill deals, made by persons living outside England, and he fears that any machinery created for such a purpose could only be put effectively in motion by persons able to employ solicitors in this country to enforce their rights. There are great difficulties in the way of making any exception to the general rule that, while the Courts are open to all British subjects for the recovery of moneys due to them, and that, when such proceedings succeed, the costs incurred are ordinarily payable by the defendant, such costs must in the first instance be paid by the complainant. If, however, Viscount Milner considers it important to proceed with the Bill, Mr. Shortt does not think it necessary, so far as the English Courts of Summary Jurisdiction are concerned, to make special provision for costs under clause 4 (1) or 6 (1). A summons issued under clause 4 (1) on a requisition from the Secretary of State would be served by the police in the ordinary course of duty. Mr. Shortt feels doubtful what manner of rules will be found desirable for prescribing procedure under clause 6 (1), but he sees no reason to suppose that, if such rules are made, any difficulty will arise in respect of costs in executing the necessary process.

He presumes that the Bill is not intended to apply to affiliation orders, but thinks some doubt might arise on this point which might be precluded by an amendment of clause 10.

I am, &c.,

H. B. SIMPSON.

57074

No. 16.

COLONIAL OFFICE to HOME OFFICE.

[Answered by No. 18.]

SIR,

Downing Street, 30th October, 1919.

I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 3rd of October,† regarding the Maintenance Orders (Facilities for Enforcement) Bill, and to request you to inform Mr. Secretary Shortt that he is advised that, in view of the definitions of "maintenance order" and "dependents," the Bill applies to affiliation orders, but not to *provisional* affiliation orders, since an illegitimate child whom the alleged father has not yet been made liable to maintain is not one of his "dependents," and consequently not a person in respect of whom a maintenance order could be applied for under clause 3 of the Bill in the United Kingdom.

2. If, however, there is any Colony to which the Act may be extended in which, under the local law, an illegitimate child is the "dependent" of the putative father without any order having been made against him, it is clear that, under the local equivalent to clause 3 which will have to be passed in that Colony, a provisional affiliation order might be made in the Colony against a man in the United Kingdom and sent to this country for confirmation and enforcement under clause 4, etc., of the Imperial Act. Lord Milner is, however, not aware of the existence of any Colonial law of the kind in question.

3. If Mr. Shortt concurs in the above construction (which represents a policy which, it was thought, had been accepted by his predecessors), but now desires to exclude affiliation orders, as well as provisional affiliation orders, Lord Milner will offer no opposition to an amendment of clause 10.

I am, &c.,

HENRY LAMBERT.

* No. 14.

† No. 15.

57074

No. 17.

COLONIAL OFFICE to SCOTTISH OFFICE.

[Answered by No. 21.]

SIR,

Downing Street, 30th October, 1919.

WITH reference to your letter of the 23rd of July,* I am directed by Viscount Milner to transmit to you, to be laid before the Secretary for Scotland, copies of correspondence with the Home Office† regarding the Maintenance Orders (Facilities for Enforcement) Bill.

2. As it is hoped to proceed with this Bill in the present session, Lord Milner would be glad if the Secretary for Scotland would submit at an early date specific proposals for amendments of the Bill on the lines indicated in your letter under reference, if such amendments are still considered necessary.

3. If Mr. Munro does not see his way to do this, the alternatives would seem to be to introduce the Bill as it stands or exclude Scotland from its operation.

4. I am to ask for a reply to this letter not later than 17th November.

I am, &c.,

HENRY LAMBERT.

66275

No. 18.

HOME OFFICE to COLONIAL OFFICE.

(Received 20th November, 1919.)

[Answered by No. 19.]

SIR,

Home Office, Whitehall, 18th November, 1919.

IN reply to your letter of the 30th ultimo,‡ I am directed by Mr. Secretary Shortt to say, for the information of Secretary Viscount Milner, that, in view of Mr. Burns's speech at page 210 of the Minutes of Proceedings of the Imperial Conference, 1911 [Cd. 5745], that "We are under the impression that injustice might be done, or at least we did think injustice might be done, if it was intended to apply this to putative fathers and to bastardy and maintenance orders for illegitimate children, and I am very pleased to see that Dr. Findlay applies it only to desertion of wives and children by their husbands and fathers," the wording of the resolution at page 211, "That, in order to secure justice and protection for wives and children who have been deserted by their legal guardians, either in the United Kingdom or any of the Dominions, reciprocal legal provisions should be adopted in the constituent parts of the Empire in the interests of such destitute and deserted persons," and, in view of the definition in the draft of the Bill of the word "dependants," it has always been assumed that the Bill was not intended to apply either to the obtaining or to the enforcement of affiliation orders. Mr. Shortt is advised that a child in respect of whom such an order has been obtained is not a "dependant" of the man against whom the order is made, nor is the man, according to our law, "liable to maintain" that child. As the Bill stands, therefore, clause 1 would not apply to the enforcement of affiliation orders, nor would clause 3 apply to the obtaining of provisional affiliation orders. As doubt has arisen on the point, and as Mr. Shortt notices that the Government of Nova Scotia are under the impression that the Bill applies to the enforcement of affiliation orders, he thinks words should be introduced to make it quite clear that such orders are not within the scope of the Bill.

I am, &c.,

E. BLACKWELL.

* No. 10.

† Nos. 15 and 16.

‡ No. 16.

66275

No. 19.

COLONIAL OFFICE to HOME OFFICE.

SIR,

Downing Street, 1st December, 1919.

I AM directed by Viscount Milner to acknowledge the receipt of your letter of the 18th November,* relative to the Maintenance Orders (Facilities for Enforcement) Bill, and to state, for the information of Mr. Secretary Shortt, that it is proposed, in accordance with his suggestion, to have words introduced into the draft Bill making it quite clear that affiliation orders are not within its scope.

I am, &c.,

HENRY LAMBERT.

66275

No. 20.

COLONIAL OFFICE to SCOTTISH OFFICE.

[Answered by No. 21.]

SIR,

Downing Street, 1st December, 1919.

WITH reference to the letter from this Department of the 6th November,† and previous correspondence, relative to the Maintenance Orders (Facilities for Enforcement) Bill, I am directed to state, for the information of the Secretary for Scotland, that it is proposed to ask the Parliamentary Counsel to make the necessary amendment in the draft Bill not later than the end of this week (6th December).

2. If the Secretary for Scotland is unable to submit the specific proposals mentioned in paragraph 2 of the letter from this Department of the 30th October‡ by that date, the Secretary of State would be glad to learn which of the alternatives mentioned in paragraph 3 of that letter he desires to have adopted.

3. In this connexion I am to enclose the accompanying copies of correspondence§ with the Home Office regarding the scope of the Bill.

I am, &c.,

HENRY LAMBERT.

70155

No. 21.

SCOTTISH OFFICE to COLONIAL OFFICE.

(Received 10th December, 1919.)

[Answered by No. 22.]

SIR,

Scottish Office, Whitehall, S.W., 9th December, 1919.

WITH reference to your letter of 19th ultimo,|| and to previous correspondence regarding the Maintenance Orders (Facilities for Enforcement) Bill, I am directed by the Secretary for Scotland to say that he has, in consultation with the Lord Advocate, given further consideration to this draft Bill with a view of arriving, if possible, at some method whereby the provisions of the Bill might be made workable in Scotland.

The main difficulty in the way is that indicated in the last two paragraphs of the letter from this Office of 23rd July last,¶ and unless some provision is made for the employment of solicitors to conduct the necessary proceedings before courts, and to defray the expenses involved, Mr. Munro fears that the scheme of the Bill could not be made effective in Scotland. At the same time he feels the force of the objections taken in the Home Office letter of 3rd October last** to the expenditure of public moneys for the purpose of enforcing private claims in civil courts.

In these circumstances Mr. Munro is reluctantly inclined to the conclusion that the Bill should not apply to Scotland, but before arriving at a definite decision on the matter he would suggest that the position might with advantage be discussed at an interdepartmental conference representative of the various departments concerned.

I am, &c.,

JAMES M. DODDS.

70155

No. 22.

COLONIAL OFFICE to SCOTTISH OFFICE.

SIR,

Downing Street, 15th December, 1919.

I AM directed to acknowledge the receipt of your letter of the 9th December* regarding the draft Maintenance Orders (Facilities for Enforcement) Bill.

2. It appears doubtful whether, in the circumstances, any useful purpose would be served by further discussion and it is therefore proposed, in order to avoid longer delay in proceeding with the Bill, to amend the draft so as to exclude Scotland from its provisions and to take steps for the introduction in Parliament of the Bill, so amended, at the earliest opportunity.

I am, &c.,

HENRY LAMBERT.

43088

No. 23.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 406.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 23rd September, 1920.

WITH reference to previous correspondence, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the Maintenance Orders (Facilities for Enforcement) Act, 1920.†

I have, &c.,

MILNER.

49490

No. 24.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by Nos. 28, 29, 30, and 31.]

(No. 634.)

MY LORD DUKE,

Downing Street, 20th October, 1920.

IN continuation of my despatch Dominions No. 406, of the 23rd September,‡ relative to the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to transmit to Your Excellency thirty copies of the Act,† and to express the hope that the Provincial Governments, which are favourable to the principle of reciprocal legislation, will now be able to take steps accordingly.

2. I should be glad if, further, the Provincial Governments not previously favourably disposed might be invited to reconsider the matter now that they have the Bill in its enacted form before them.

3. I would invite reference, in this connexion, to your despatch No. 572, of the 12th July, 1919.§

I have, &c.,

MILNER.

* No. 21.

+ 10 and 11, Geo. V., chap. 35.

† No. 23.

§ No. 11.

F

* No. 18.

† 62974: reminder: not printed.

‡ No. 17.

§ Nos. 18 and 19.

|| 57074: reminder: not printed.

¶ No. 10.

** No. 15.

49490

No. 25.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 226.)

Mr Lord,

Downing Street, 20th October, 1920.

In continuation of my despatch Dominions No. 406, of the 23rd September,* relative to the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to request Your Excellency to inform your Ministers that I have learnt with satisfaction from the High Commissioner for New Zealand that the New Zealand Government adhere to the decision notified in Lord Liverpool's despatch No. 106, of 11th June, 1915,† to pass legislation in New Zealand containing reciprocal provisions.

I have, &c.,

MILNER.

49490

No. 26.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered by No. 32.]

(Commonwealth of Australia. No. 440.)

(Union of South Africa. No. 420.)

(Newfoundland. No. 130.)

[My Lord,] [Sir,]

Downing Street, 20th October, 1920.

In continuation of my despatch Dominions No. 406, of the 23rd September,* relative to the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to express the hope that in accordance with the undertaking given [To Union of South Africa: in the minute enclosed in Lord Buxton's despatch No. 48, of 20th January, 1915;†] [To Commonwealth of Australia: in Sir R. M. Ferguson's despatch No. 43, of 24th February, 1915;‡] [To Newfoundland: in Sir W. Davidson's despatch No. 265, of 21st December, 1915;§] it may be possible for [Your Excellency's] [your] Ministers to take early steps to introduce reciprocal legislation.

I have, &c.,

MILNER.

49490

No. 27.

THE SECRETARY OF STATE TO THE GOVERNORS.

(Victoria. No. 41.)

(New South Wales. No. 70.)

(Queensland. No. 56.)

(South Australia. No. 97.)

(Western Australia. No. 56.)

(Tasmania. No. 49.)

Sir,

Downing Street, 20th October, 1920.

With reference to [Sir A. L. Stanley's despatch No. 8, of the 24th February, 1915,*] [Sir C. Strickland's despatch No. 61, of the 9th June, 1915,**] [Sir H. Gould-Adams's despatch No. 11, of the 13th April, 1915,††] [Sir H. Galway's despatch No. 22, of the 19th April, 1915,‡‡] [Sir H. Barron's despatch No. 18, of the 3rd May, 1915,§§] [Sir W. G. Ellison-Macartney's telegram of the 2nd September, 1915,||] and subsequent correspondence, I have the honour to transmit to you, to be laid before your Ministers, copies of the Maintenance Orders (Facilities for Enforcement) Act, 1920 (10 and 11 George V, chapter 33), and to express the hope that it may be possible for your Ministers to take early steps to introduce the promised reciprocal legislation.

I have, &c.,

MILNER.

* No. 23. † No. 24 in Dominions No. 59. ‡ No. 17 in Dominions No. 59. § No. 19 in Dominions No. 59. || No. 28 in Dominions No. 59. ¶ No. 18 in Dominions No. 59. ** No. 23 in Dominions No. 59. †† No. 20 in Dominions No. 59. ‡‡ No. 21 in Dominions No. 59. §§ No. 22 in Dominions No. 59. || No. 25 in Dominions No. 59.

35509

No. 28.

CANADA.

THE DEPUTY GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 18th July, 1921.)

(No. 414.)

Sir,

Government House, Ottawa, 6th July, 1921.

With reference to Lord Milner's despatch No. 634, of the 20th October last,* and your despatch No. 286, of the 6th ultimo,† I have the honour to enclose, herewith, copies of replies received from the Provinces of Quebec, Nova Scotia, New Brunswick, British Columbia, Alberta, and Saskatchewan on the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920.

I have, &c.,

JOHN IDINGTON,

Deputy Governor-General.

Enclosure 1 in No. 28.

(1672/20.)

Province de Québec,

Québec, 17th November, 1920.

MONSIEUR,

J'ai l'honneur, pour faire suite à votre dépêche, No. 3263, en date du 4 novembre, 1920, de vous informer que mon gouvernement, après un nouvel examen des amendements à apporter à la loi aux fins de faciliter l'exécution des jugements extra-territoriaux relatifs à certaines matières et après avoir considéré la loi sanctionnée en Angleterre le 16 août, 1920, est d'opinion qu'il n'y a pas lieu de modifier la procédure de cette province sur cette matière.

J'ai l'honneur, &c.,

C. FITZPATRICK,

Lieutenant-gouverneur.

L'honorable Secrétaire d'Etat,
Ottawa.

Enclosure 2 in No. 28.

Sir,

Halifax, Nova Scotia, 8th December, 1920.

Referring to your despatch of the 4th ultimo, relative to the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to inform you that my Government see no reason for departing from the attitude expressed in June, 1919, and further that it does not appear to be practicable, in this Province, to pass such an Act as would be workable.

I have, &c.,

McCALLUM GRANT,

Lieut.-Governor.

The Under-Secretary of State,
Ottawa.

Enclosure 3 in No. 28.

Lieutenant-Governor's Office,

Sir,

Fredericton, New Brunswick, 5th March, 1921.

I HAVE the honour to acknowledge the receipt of your despatch of the 2nd instant calling my attention to departmental despatch of the 4th of November last on the subject of the Maintenance Order (Facilities for Enforcement) Act, 1920. Herewith please find enclosed letter received to-day from the Clerk of the Executive Council, which is self-explanatory.

I have, &c.,

WILLIAM PUGSLEY,

Lieutenant-Governor.

The Honourable
The Acting Secretary of State,
Ottawa, Ontario.

* No. 24.

† 26046: not printed (reminder).

DEAR SIR,

The Executive Council, Fredericton, 5th March, 1921.

At a meeting of the Executive Council, held on the 9th day of November, 1920, departmental despatches on the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920, were considered and ordered filed.

I have, &c.,

M. B. DIXON,
Clerk.

Honourable William Pugsley, D.C.L., LL.D., K.C., P.C.,
Lientenant-Governor of New Brunswick,
St. John, New Brunswick.

Enclosure 4 in No. 28.

SIR, Government House, Victoria, British Columbia, 27th November, 1920.

In reply to your letter of the 4th instant, relative to the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to state that my Deputy Attorney-General informs me that his department has nothing to say with regard to proposed legislation in this connexion further than what was expressed in a letter from my predecessor in office dated the 12th of May, 1919.

I have, &c.,

E. J. L. PRIOR,
Lientenant-Governor.

The Under Secretary of State,
Ottawa.

Enclosure 5 in No. 28.

SIR, Government House, Regina, 6th May, 1921.

I HAVE the honour to refer to your despatch of 18th March last, No. 3263, and previous despatches in relation to the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920.

I am advised that both this subject and the subject of reciprocal enforcement of judgments generally has received a great deal of consideration at the hands of my Ministers, and while they are favourably disposed towards enacting reciprocal legislation as to the enforcement of judgments, including maintenance orders, it is their opinion that before such legislation is enacted the matter should be considered very carefully by the Canadian Bar Association through its Committee or by the Commissioners on Uniformity of Laws. To this end my Ministers are taking the necessary steps immediately.

I have, &c.,

H. W. NEWLANDS,
Lientenant-Governor of Saskatchewan.

The Honourable
The Secretary of State,
Ottawa.

Enclosure 6 in No. 28.

SIR, Edmonton, 1st February, 1921.

In further reply to your despatch of the 4th November, 1920, relative to the Maintenance Orders Act, 1920, I have the honour to transmit, herewith, to you a letter from the Honourable the Attorney-General of Alberta, together with a covering letter from the Honourable the Provincial Secretary.

I have, &c.,

R. G. BRETT,
Lientenant-Governor.

Thomas Mulvey, Esquire,
Under Secretary of State,
Ottawa.

YOUR HONOUR,

Edmonton, Alberta, 23rd December, 1920.

ENCLOSED please find a communication received from Honourable J. R. Boyle, Attorney-General for this Province, in reference to Maintenance Orders Act, 1920, mentioned in Your Honour's letter dated 4th November.

I have, &c.,

J. L. COTE,
Provincial Secretary.

His Honour

The Lientenant-Governor of Alberta,
Government Buildings,
Edmonton, Alberta.

DEAR SIR,

Edmonton, 20th December, 1920.

re Maintenance Orders.

REFERRING to the communication of Mr. Thomas Mulvey, Under Secretary of State, enclosing despatch from Downing Street, and again suggesting that legislation should be passed by this Province as contemplated by 10 and 11 Geo. V., Chap. 33 English Statutes, I beg to say that this matter has been fully considered by the Executive Council of this Province, and it has been decided that it would not be in the public interest that the legislation suggested by Downing Street should be passed by the Legislature of this Province.

I have, &c.,

J. R. BOYLE,
Attorney-General.

Honourable J. L. Cote,
Provincial Secretary,
Edmonton.

36950

No. 29.

CANADA.

THE DEPUTY GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 25th July, 1921.)

(No. 430.)

SIR,

Ottawa, 13th July, 1921.

WITH further reference to my despatch No. 414, of the 6th July,* in connexion with the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to enclose a copy of a communication dated the 30th June, together with an enclosure, received from the Lientenant-Governor of Prince Edward Island in this connexion.

I have, &c.,

JOHN IDINGTON,
Deputy Governor-General.

Enclosure in No. 29.

SIR,

Government House,
Charlottetown, Prince Edward Island, 30th June, 1921.

WITH further regard to your communication of the 10th instant, *re Maintenance Orders (Facilities for Enforcement) Act, 1920*, I am to-day in receipt of the reply thereto of my Ministers, and herewith beg to enclose you the same and regret the delay in the matter.

I have, &c.,

M. MACKINNON,
Lientenant-Governor.

To the Honourable
The Secretary of State,
Ottawa.

SIR, Charlottetown, P.E.I., 24th June, 1921.
 REFERRING again to your letter of the 19th March, 1921, relative to a despatch from the Secretary of State concerning Maintenance Orders (Facilities for Enforcement) Act, chapter 33—being an Act to facilitate the enforcement in England, etc., of maintenance orders made in other parts of His Majesty's Dominion, etc.—I may state that so far as I have been able to ascertain no maintenance order referred to in section 1 of said Act has been made in this Province.

No reciprocal provisions have been made by the Legislature of this Province for the enforcement of such maintenance orders under section 12 of said Act, but at the next session of the local Legislature I will endeavour to have reciprocal legislation introduced and passed.

Faithfully yours,
 JOHN H. BELL,
 Premier.

To His Honour
 The Lieutenant-Governor,
 Charlottetown, P. E. Island.

40651

No. 30.
 CANADA.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 15th August, 1921.)

(No. 466.)

SIR, Ottawa, 30th July, 1921.
 WITH reference to the Deputy Governor-General's despatch No. 430, of the 13th instant,* on the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920, I have the honour to transmit, herewith, a copy of a letter in this connexion from the Lieutenant-Governor of Ontario.

I have, &c.,
 L. H. DAVIES,
 Administrator.

Enclosure in No. 30.

SIR, Toronto, 15th July, 1921.
 REFERRING to your despatches of 4th November, 1920, 2nd March and 10th June, 1921, on the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920, of the Imperial Government, I beg to advise that my Ministers have under consideration the advisability of submitting to the Legislative Assembly of the Province of Ontario, at its next Session, a Bill embodying provisions reciprocal to those of the above-mentioned Act.

I have, &c.,
 L. H. CLARKE,
 Lieutenant-Governor.

The Honourable
 The Secretary of State,
 Ottawa, Ontario.

43554

No. 31.
 CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 31st August, 1921.)

(No. 501.)

SIR, Government House, Ottawa, 22nd August, 1921.
 WITH reference to your despatch No. 286, of the 6th June last,† on the subject of the passing of legislation by the Governments of the Provinces of Canada relative

* No. 29. † 26046: not printed (reminder).

to Maintenance Orders, I have the honour to enclose copy of a despatch received from the Lieutenant-Governor of Manitoba explaining the position of his Province in regard to the matter.

I have, &c.,
 BYNG OF VIMY.

Enclosure in No. 31.

DEAR SIR, Winnipeg, 2nd August, 1921.
 REVERTING to departmental despatch of the 10th June on the subject of the Maintenance Orders (Facilities for Enforcement) Act, 1920, of the Imperial Government, I am advised by my Attorney-General that the above legislation has been considered informally by the Board of Commissioners for the Promotion of Uniformity of Legislation in Canada, but that no recommendation has yet been made by the Board in regard thereto, and that until such time as the Board does make a recommendation it would not appear advisable for this province to take any action by itself.

In the meantime, the matter is to be further considered by my Government and by its law officers, so that any necessary action can be taken when the Board of Commissioners above-mentioned has made its recommendation.

Yours truly,
 J. A. M. AIKINS,
 Lieutenant-Governor.

The Honourable
 The Acting Secretary of State,
 Ottawa.

61508

No. 32.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12th December, 1921.)

[Answered by No. 33.]

(No. 361.)

SIR, Governor-General's Office, Melbourne, 2nd November, 1921.
 REFERRING to your despatch dated 6th June, 1921, No. 225,* relative to the Maintenance Orders (Facilities for Enforcement) Act, 1920, and the introduction by the Commonwealth Government of reciprocal legislation, I have the honour to inform you that I am advised by my Prime Minister that the Commonwealth Parliament has not yet passed legislation on the subjects of marriage, divorce, and matrimonial causes to which the question at issue is incidental, and the Commonwealth Government is therefore not in a position to take the desired action.

I observe that Mr. (now Viscount) Harcourt, in a despatch dated 17th December, 1914,† submitted this matter to the State Governments by whom only the necessary steps can at present be taken.

I have, &c.,
 FORSTER,
 Governor-General.

61508

No. 33.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 506.)

MY LORD, Downing Street, 22nd December, 1921.
 I HAVE the honour to acknowledge the receipt of Your Excellency's despatch No. 361, of the 2nd November,‡ relative to the Maintenance Orders (Facilities for

* 26046: not printed (reminder). † No. 47 in Dominions No. 51. ‡ No. 82.

Enforcement) Act, 1920, and the introduction by the Commonwealth Government of reciprocal legislation, and to request you to inform your Ministers that it is regretted that there should have been any misunderstanding in connexion with this matter.

2. It had been gathered, however, from the despatch from Sir R. Munro Ferguson (now Viscount Novar), No. 43, of the 24th February, 1915,* that the Commonwealth Government would be willing to introduce the necessary reciprocal legislation in respect of the Northern Territory, Papua, and Norfolk Island; and it was to these territories that Lord Milner's despatch No. 440, of the 20th October, 1920,† and my despatch No. 225, of the 6th June,‡ were intended to refer.

I have, &c.,

WINSTON S. CHURCHILL.

Secretariat Note.—The position disclosed in the correspondence following on the Secretary of State's despatches of 20th October, 1920 (Nos. 24-27), to the end of 1921 (with the exception of Canada and the Commonwealth of Australia, for which see above) was as follows:—

A Bill was introduced into the New Zealand Parliament in November, 1921 (see Governor-General's despatch No. 277, 5th November, 1921, 1077/21/22). The Governor-General of the Union of South Africa stated in March, 1921 (No. 130, of 14th March, 16396/21), that Ministers hoped to introduce legislation, but that it might have to be postponed until 1922.

The following Governments intimated their intention of introducing legislation during 1921, or later:—

Newfoundland (Governor's despatch No. 22, of 4th February, 1921, 9154/21).

New South Wales (Governor's despatch No. 80, of 24th November, 1921, 1451/21/22).

South Australia (Governor's despatch No. 21, of 8th August, 1921, 48580/21).

Western Australia (Governor's despatch No. 31, of 15th August, 1921, 48539/21).

Tasmania (Governor's despatch No. 22, of 10th August, 1921, 48475/21).

The "Maintenance Orders (Facilities for Enforcement) Act" (No. 24, of 1921), was passed by the Parliament of Queensland, and the provisions of the Imperial Act were extended to that State by Order-in-Council of the 6th February, 1922.

No reply was received from Victoria.

* No. 19 in Dominions No. 39.

† No. 26.

‡ 20046; not printed (reminder).

RESOLUTION XIX: COMMERCIAL TREATIES.

That His Majesty's Government be requested to open negotiations with the several Foreign Governments having commercial treaties which apply to the Overseas Dominions, with a view to securing liberty for any of those Dominions which may so desire to withdraw from the operation of the Treaty without impairing the Treaty in respect of the rest of the Empire.

(See page 17 of *Dominions No. 61*.)

Secretariat Note.—For continuance of the correspondence arising out of this Resolution, see Dominions Nos. 75 and 81.

RESOLUTION XXV.: MUTUAL ENFORCEMENT OF JUDGMENTS AND ORDERS OF COURTS OF JUSTICE, INCLUDING JUDGMENTS AND ORDERS AS TO COMMERCIAL ARBITRATION AWARDS.

That the Imperial Government should consider in concert with the Dominion Governments whether, and to what extent, and under what conditions, it is practicable and desirable to make mutual arrangements with a view to the enforcement in one part of the Empire of judgments and orders of the Courts of Justice in another part, including judgments or orders for the enforcement of Commercial Arbitration Awards.

(See page 65 of *Dominions No. 61.*)

44784

No. 34.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNORS.

[Answered by No. 36.]

(Canada.
(Commonwealth of Australia.
(New South Wales.
(Victoria.
(Queensland.
(South Australia.
(Western Australia.
(Tasmania.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions. No. 648.)

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 13th August, 1919.
With reference to Mr. Bonar Law's despatch No. [420] [374] [31] [20] [27] [60] [26] [26] [297] [438] [253] of the 26th April, 1916,* forwarding copies of a draft Bill to facilitate the reciprocal enforcement of judgments, orders, and awards in the United Kingdom and other parts of the Empire, I have the honour to transmit to [Your Excellency.] [you.] for the information of your Ministers, the accompanying copies of a Parliamentary Paper [Cmd. 251] containing the report of a Committee appointed by the Lord Chancellor to consider the conduct of legal proceedings between parties in this country and parties abroad, and the enforcement of judgments and awards.

2. It will be observed that the Committee (see section 35) recommend various amendments of the Bill of 1916, which is printed in Appendix A of the report.

I have, &c.,

MILNER.

58327

No. 35.

CANADA.

THE DEPUTY GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 11th October, 1919.)

[Answered by No. 37.]

(No. 735.)

MY LORD, Government House, Ottawa, 30th September, 1919.
With reference to Mr. Bonar Law's despatch No. 420, of the 26th April, 1916,* on the subject of the Judgments Extension Bill, I have the honour to transmit,

* No. 93 in *Dominions No. 61.*

herewith, copies of despatches from the Lieutenant-Governors of Ontario, Nova Scotia, Prince Edward Island, Manitoba, Saskatchewan, Alberta, and British Columbia, expressing the views of the Governments of those Provinces on the provisions of the draft Bill enclosed in the above mentioned despatch.

The replies from the Provinces of Quebec and New Brunswick were transmitted in the Governor-General's despatch No. 157, of the 5th March, 1917.*

I have, &c.,

L. H. DAVIES,
Deputy Governor-General.

Enclosure 1 in No. 35.

SIR,

Toronto, Ontario, 17th March, 1917.

I HAVE the honour to refer to your despatch of the 28th ultimo asking whether my Ministers are desirous that the provisions of the Judgments Extension Bill should extend to this Province, and to advise that my Attorney-General states that it is considered it would not be wise to depart from the rule laid down by the Privy Council that a judgment should not be given any extra-territorial recognition unless the defendant was domiciled or resident in the country in which the judgment was obtained at the time of service or voluntarily attorned to the jurisdiction of the Court by appearing to its process.

I have, &c.,

JOHN L. HENDRIE,
Lieutenant-Governor.

The Honourable
The Secretary of State,
Ottawa, Ontario.

Enclosure 2 in No. 35.

SIR,

Halifax, 31st August, 1917.

REFERRING to your despatch of the 8th instant, and to previous correspondence on the subject of the reciprocal enforcement of judgments, orders, and awards in the United Kingdom and other parts of His Majesty's Dominions, I have the honour to inform you that, in the opinion of my Attorney-General, it is not desirable that the Bill in its present form should extend to this Province, that from the point of Nova Scotia the principle of the Bill is unobjectionable, but that the operation should be restricted so as not to apply to judgments obtained by default.

I have, &c.,

MC. GRANT,
Lieutenant-Governor.

The Under Secretary of State,
Ottawa.

Enclosure 3 in No. 35.

Charlottetown, P.E.I., 19th March, 1918.

MY DEAR SIR ROBERT,

Re Judgments Extension Bill.

REPLYING to your favour of the 12th instant, in the above matter, I regret the delay in the premises.

In August last, I submitted the Bill for the approval of the Bar Society here, and also to the Judges of the Supreme Court. I received a reply from the Secretary of the Bar Society approving of the draft Bill, and received a reply about the same date from the Chief Justice informing me that he would submit the Bill for the consideration of his colleagues, but up to the present time have had no reply. I again took up the matter with the Chief Justice, and he now informs me that they are agreeable to such legislation being passed.

I therefore see no reason why there should be any objection on the part of this Province, and therefore give consent to the proposed Bill.

Yours faithfully,

A. E. ARSENAULT.

The Right Honourable
Sir Robert Borden, G.C.M.G.,
Prime Minister of Canada,
Ottawa.

* No. 95 in *Dominions No. 61.*

Enclosure 4 in No. 35.

DEAR SIR, Government House, Winnipeg, 3rd September, 1919.
 REVERTING to departmental despatch of 8th May, concerning the subject of the Judgments Extension Bill of the Imperial Parliament, after consideration, the conclusion reached by my Ministers is that no considerable amount of interest in the Bill in its present shape would be likely to be forthcoming; that, on the other hand, if the principles underlying the Bill were extended in such a way as to make reciprocal the enforcement of judgments throughout the Empire, there would be very little likelihood of a single dissenting voice to a proposal to pass legislation in this Province to carry out that object.

The subject of a Judgments Extension Act in Canada is being considered by the Canadian Bar Association in conjunction with the Conference of Commissioners on Uniformity of Laws.

Yours, &c.,
 J. A. M. ATKINS,
 Lieutenant-Governor.

The Honourable the Secretary of State,
 Ottawa.

Enclosure 5 in No. 35.
 SASKATCHEWAN EXECUTIVE COUNCIL.

SIR, Regina, 16th July, 1918.
 YOUR communication of the 13th ultimo to Hon. W. M. Martin, which came to hand in his absence, has only now been brought to my attention. I am enclosing herewith five certified copies of Order in Council, 893/18, respecting the reciprocal enforcements of judgments, etc.

Your obedient servant,
 J. B. McLEOD,
 Clerk of the Executive Council.

Sir Joseph Pope, C.V.O., I.S.O.,
 Under Secretary of State for External Affairs,
 Ottawa, Ontario.

CERTIFIED COPY OF A MINUTE OF THE EXECUTIVE COUNCIL OF SASKATCHEWAN, DATED AT REGINA ON FRIDAY, THE FOURTEENTH DAY OF JUNE, 1918, AND APPROVED BY HIS HONOUR THE LIEUTENANT-GOVERNOR.

THE Executive Council has had under consideration a report from the Attorney-General, dated 11th June, 1918, stating that he has had under consideration a despatch from the Principal Secretary of State for the Colonies of His Royal Highness the Governor-General, dated the twenty-sixth day of April, 1916, relative to a proposed Bill to be introduced in the Imperial Parliament to facilitate the reciprocal enforcement of judgments, orders, and awards of the United Kingdom and other parts of the British Empire.

Upon consideration of the foregoing report, and on the recommendation of the Attorney-General, the Executive Council advises that approval be given to the said legislation proposed by the Imperial Conference, and more particularly to section 5 thereof, which refers to reciprocal legislation and the application of the proposed Bill above mentioned by Order in Council to His Majesty's Dominions, and that such approval be communicated through the usual channels to the Secretary of State for Canada.

J. B. McLEOD,
 Clerk of the Executive Council.

Enclosure 6 in No. 35.

SIR, 21st September, 1917.

re Enforcement of Judgments, Orders, and Awards.

I HAVE the honour to enclose herewith a letter which I have received from the Clerk of the Executive Council, in reference to the above subject.

I have, &c.,
 R. G. BRETT,
 Lieutenant-Governor.

The Honourable
 The Secretary of State,
 Ottawa.

SIR, Edmonton, 10th September, 1917.
 DRAFT of a Bill for reciprocal enforcement of judgments, orders, and awards in the United Kingdom and other parts of His Majesty's Dominions, received from the Secretary of State through His Honour the Lieutenant-Governor and your Department, was duly submitted to the Executive Council for attention.

After due consideration of the draft Bill, and of the report thereon, by the Attorney General's Department, the Executive Council desire that you report to the Secretary of State, through His Honour the Lieutenant-Governor, that the Ministers do not consider the present an opportune time for the adoption of the said draft Bill by this Province.

I have, &c.,
 JOHN D. HUNT,
 Clerk of the Executive Council.

The Hon. the Provincial Secretary.

Enclosure 7 in No. 35.

SIR, Government House, Victoria, B.C., 3rd February, 1919.
 WITH further reference to correspondence on the subject of a draft Bill to facilitate the reciprocal enforcement of judgments, orders, and awards, I have the honour to inform you that my Attorney-General has carefully considered the proposed Act, and states that so far as this Province is concerned, the objections to a Bill having the same object in view, forwarded with a letter from my predecessor in office, on the 27th October, 1913, apply equally to this Bill.

I have, &c.,
 F. S. BARNARD,
 Lieutenant-Governor.

The Under Secretary of State,
 Ottawa.

SIR, Government House, Victoria, B.C., 27th October, 1913.
 WITH reference to correspondence on the subject of the Mutual Enforcement of Judgments and Awards of Courts of Justice, I have the honour to transmit to you, herewith, a communication from the Honourable the Attorney-General giving the views of my Ministers upon this subject.

I have, &c.,
 THOS. W. PATERSON,
 Lieutenant-Governor.

The Under Secretary of State,
 Ottawa.

(No. 3208-17-13.)

Attorney-General's Office, Victoria, 25th October, 1913.

Sir,

re Mutual Enforcement of Judgments.

THE despatch from the Secretary of State for the Colonies on the subject of the mutual enforcement of Judgments and Orders of the Courts of the United Kingdom and the Self-governing Dominions received my careful consideration when a copy of the despatch was first received, but as the proposed legislation involved a radical departure from the established law and procedure in this Province, I deemed it my duty to endeavour to obtain an expression of the views of the leading members of the British Columbia bar on the subject before advising you of my own views and those of my colleagues of the Executive Council. Although it has taken considerable time to get the opinions of the leading counsel and practitioners of the Province, yet it is a sort of compensation for the delay to know that their attitude confirms me in my own opinion, which is endorsed by the Government.

It may be well to point out at the outset that the occasions on which it becomes necessary to enforce British judgments in British Columbia and British Columbia judgments in England are few and far between, and when it is sought to make a change in the existing law with the view of making it easy to compel a dishonest debtor to pay his just debts, care should be taken to avoid the danger of thereby leaving the door open for a dishonest creditor to cause loss and injury or inconvenience to an honest person living perhaps in a remote part of the Empire at a great distance from the place in which proceedings are taken and judgment recovered.

As the law now stands, where a defendant has not subjected himself to the jurisdiction of the Court where the judgment is obtained, he is entitled to raise in his defence to an action on a foreign judgment all issues which he would have been entitled to have raised in the original action had he submitted to the jurisdiction. A defendant sued in our Courts is entitled to raise the defence that the judgment obtained in the foreign Court was obtained by fraud. If, therefore, the judgment obtained in the foreign Court is enforceable by certificate in this Province, and the certificate is conclusive as against the defendant, the defence that the judgment was obtained by fraud is taken away from him. Similarly, he may raise the defence of lack of jurisdiction in the Court in which judgment was obtained. Further, if a defendant has not submitted to the jurisdiction of the Court in which judgment was obtained, he may now raise a defence on the merits. I am of the opinion that the practical effect of the proposed legislation will be to deprive the defendant of any recourse in our Courts once judgment has been obtained against him in England and the certificate of judgment has been registered in this Province. It will, moreover, tend to impair the usefulness of our Fraudulent Preferences Act and our Statute of Limitations. Creditors resident in British Columbia might be forced to divide up assets with non-resident creditors who could come to British Columbia and register judgments which, if obtained in this Province, would be bad as against creditors by reason of our Fraudulent Preferences Act.

An action on a foreign judgment is not at the present time an expensive one, nor does it mean the taking of a very great amount of evidence, and it is not well to depart from established law when the practical effect of the alteration is merely to save the creditor the costs of enforcing his claim by bringing an action on the judgment.

Another most serious objection to the proposed legislation, so far as this Province is concerned, is this: When the law is changed and made uniform throughout Great Britain and the Self-governing Dominions, it will be a difficult matter to alter it without the consent of all parties, even if it is shown that the new law in its application and working is no improvement on the law now existing, but quite the reverse. In this Province the Lieutenant-Governor in Council has the power to make rules relating to the practice and procedure in the Supreme Court, and the rules so made have the force of law. Only last year the following rule respecting foreign judgments was made:—

"In any action on a foreign judgment, order, or decree, brought in any Court of British Columbia, the defendant, upon proof to the satisfaction of the Court or Judge that he has taken, or caused to be taken, an appeal or other proceeding in the nature thereof in respect of such judgment, order, or

decree, shall be entitled, pending the determination of such appeal or other proceedings upon such terms (if any) as the Court or Judge may see fit to impose, to stay proceedings, and the application for such stay may be made in a summary way in Chambers at any stage of the action."

Rules of a similar nature may be made from time to time, as may be required, and such rules may be made to apply to judgments obtained in the United Kingdom or in any or all of the Provinces of the Dominion or in any foreign country, as the circumstances in each case warrant. The extension of the provisions of any Imperial statute to British Columbia would necessarily curtail the power of the Lieutenant-Governor in Council to make rules which he might consider would be of benefit to the residents of this Province, and would substitute hard and fast legislation for the present elastic method of procedure.

Judgments recovered in England are now enforced in this Province in precisely the same way as judgments obtained in the neighbouring Province of Alberta and in the other Provinces of the Dominion, namely, by suit brought in the Courts of British Columbia. It would appear to be a wise precaution on the part of this Province to insist that any reciprocal arrangement for the enforcement of judgments should first be made between this Province and one or some or all of the other Provinces of the Dominion, and the advantages of such an arrangement be made manifest before any attempt is made to pass legislation binding British Columbia for all time to a scheme which may work well enough in England and other parts of the Empire, but may be unsuited to present conditions here.

In view of the foregoing, it is clear that British Columbia cannot consent, for the present at least, to become a party to the legislation suggested in the despatch above referred to.

I have, &c.,

W. J. BOWSER,
Attorney-General.To His Honour
The Lieutenant-Governor.

71377

No. 36.

VICTORIA.

THE ACTING GOVERNOR to THE SECRETARY OF STATE.

(Received 16th December, 1919.)

[Answered by No. 37.]

(No. 33.)

MY LORD, State Government House, Melbourne, 20th October, 1919.

I HAVE the honour to acknowledge the receipt of Your Lordship's despatch Dominions No. 648, of the 13th August last,* forwarding copies of a draft Bill to facilitate the reciprocal enforcement of judgments, orders, and awards in the United Kingdom and other parts of the Empire, and, in reply, to inform you that there is no objection, so far as this State is concerned, to the draft Bill as submitted.

I have, &c.,

W. H. IRVINE.

(A copy of this despatch has been sent to the Governor-General.)

* No. 34.

482

No. 37.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNORS.

[Answered by Nos. 38, 39, and 40.]

(Canada. No. 49.)
(Commonwealth of Australia. No. 47.)
(New South Wales. No. 7.)
(Victoria. No. 3.)
(Queensland. No. 4.)
(South Australia. No. 28.)
(Western Australia. No. 4.)
(Tasmania. No. 7.)
(New Zealand. No. 23.)
(Union of South Africa. No. 30.)
(Newfoundland. No. 17.)

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 24th January, 1921.

WITH reference to my despatch Dominions No. 648, of the 13th of August, 1919,* I have the honour to transmit to [Your Royal Highness.] [Your Excellency,] [you,] to be laid before your Ministers, copies of the Administration of Justice Act, 1920 (10 and 11, Geo. 5. Ch. 81), and to request you to invite the attention of your Ministers to Part II of the Act, which deals with reciprocal enforcement of judgments in the United Kingdom and in other parts of His Majesty's Dominions.

2. As a result of the report of the Committee appointed by the Lord Chancellor to consider the conduct of legal proceedings between parties in this country and parties abroad and the enforcement of judgments and awards, copies of which accompanied the above despatch, the provisions of the Judgments Extension Bill previously submitted to your Ministers have been considerably modified in Part II of the present Act, the amendments being generally directed to impose safeguards securing that judgments obtained in other parts of His Majesty's Dominions shall only be registered for execution in the United Kingdom in cases where such registration is just and convenient.

3. With reference to [To Commonwealth of Australia: your predecessor's despatch No. 116, of the 15th of April, 1918†] [To New South Wales: the despatch from the Acting Governor, No. 3, of the 5th of January, 1917,‡] [To Victoria: the despatch from the Acting Governor, No. 33, of the 20th of October, 1919,||] [To Queensland: the Deputy Governor's despatch No. 21, of the 19th of April, 1913,¶] [To South Australia: your predecessor's despatch No. 83, of the 3rd of December, 1917,**] [To Western Australia: your predecessor's despatch No. 11, of the 9th of May, 1918,††] [To Tasmania: your predecessor's despatch No. 42, of the 17th of November, 1917,‡‡] [To New Zealand: your predecessor's despatch No. 270, of the 18th of October, 1917,§§] which indicated that Ministers were willing to introduce reciprocal legislation, it will, I think, be recognized that the safeguards introduced in Part II of the Act are reasonable, and I venture to hope that reciprocal legislation, in which similar safeguards can be introduced, may be found practicable in [the Commonwealth] [New South Wales] [Victoria] [Queensland] [South Australia] [Western Australia] [Tasmania] [New Zealand] at an early date.

3. [To Canada: With reference to your despatch No. 157, of the 5th of March, 1917, and Sir L. H. Davies's despatch No. 735, of the 30th of September, 1919,|||] it is hoped that the amendments which have been made in this Act will so far meet any objections to the former Bill which may have been entertained in some of the Provinces as to render reciprocal legislation, in which similar safeguards can be introduced, practicable in Canada at an early date.]

3. [To Union of South Africa: With reference to Lord Buxton's despatch No. 807, of the 13th of September, 1917,¶¶] it will, I think, be recognized that the safeguards introduced in Part II of the Act are reasonable, and I venture to hope that reciprocal legislation, in which similar safeguards can be introduced, may be found practicable in the Union at an early date.]

* No. 34. † No. 106 in Dominions No. 61. ‡ No. 94 in Dominions No. 61.
|| No. 36 in this Volume. § No. 550 in Dominions No. 45. ** No. 102 in Dominions No. 61.
†† No. 106 in Dominions No. 61. ‡‡ No. 101 in Dominions No. 61. §§ No. 100 in Dominions No. 61.
||| No. 95 in Dominions No. 61, and No. 35 in this Volume. ¶¶ No. 99 in Dominions No. 61.

620

3. [To Newfoundland: With reference to your predecessor's despatch No. 109, of the 10th of August, 1917,* so far as it relates to the Newfoundland Judgments Extension Act, 1917, it will, I think, be recognized that the safeguards now introduced into the Imperial Act are reasonable, and I venture to hope that your Ministers will be ready, as indicated in the despatch referred to above, to amend the Newfoundland Act in such a way as to bring it into line with Part II of the Imperial Act.]

I have, &c.,

MILNER.

29609

No. 38.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 14th June, 1921.)

(No. 96.)

SIR, Government House, Wellington, 9th May, 1921.

WITH reference to your predecessor's despatch, No. 23, of the 24th January,† relative to the Administration of Justice Act, 1920, and the reciprocal enforcement of judgments in the United Kingdom and in other parts of His Majesty's Dominions, I have the honour to inform you that steps will be taken during the next Session of the New Zealand Parliament to introduce legislation in the direction suggested.

I have, &c.,

JELlicoe,
Governor-General.

39601

No. 39.

TASMANIA.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 9th August, 1921.)

(No. 14.)

SIR, Government House, Hobart, Tasmania, 25th June, 1921.

I HAVE the honour to acknowledge the receipt of your despatch, No. 7, of the 24th January last,† with respect to the reciprocal enforcement of judgments in the United Kingdom and in other parts of His Majesty's Dominions, and to inform you, in reply, that my Ministers are prepared to introduce the necessary reciprocal legislation next Session.

2. I attach a copy of the despatch I have received from the Premier on the subject.

I have, &c.,

W. L. ALLARDYCE,
Governor.

(A copy of this despatch has not been sent to the Governor-General.)

Enclosure in No. 39.

(166/1/21.)

YOUR EXCELLENCY,

21st June, 1921.

WITH reference to despatch No. 7, of the 24th January last, received from the Right Honourable the Secretary of State for the Colonies, I have the honour to inform Your Excellency that careful consideration has been given to the question of introducing legislation to provide for the reciprocal enforcement of judgments obtained in the United Kingdom, and in this State.

Ministers are of opinion that it is most desirable to proceed in the direction indicated, and instructions have accordingly been issued for the preparation of a Bill to give effect to the suggestion made in the despatch under review.

* No. 96 in Dominions No. 61. † No. 37.

This Bill, I may add, will be introduced during the forthcoming Session of Parliament.

I have, &c.,

W. H. LEE,
Premier.

His Excellency
The Governor of Tasmania,
Hobart.

39730

No. 40.

WESTERN AUSTRALIA.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 9th August, 1921.)

(No. 21.)

SIR, Government House, Perth, Western Australia, 6th July, 1921.
With reference to your predecessor's despatch No. 4, of 24th January last,* transmitting to me, to be laid before my Ministers, copies of the Administration of Justice Act, 1920 (10 and 11, Geo. 5, Ch. 81). I have the honour to report that my Ministers have intimated that a Bill has been prepared for the reciprocal enforcement of judgments in Western Australia which will be submitted to Parliament next Session.

I have, &c.,

F. A. NEWDEGATE,
Governor.

Secretariat Note.—Reciprocal legislation having been passed by the Parliament of South Australia (Act No. 1461) Part II of the Administration of Justice Act, 1920, was extended to the State by Order in Council of 21st November, 1921. (59185/21. Australia.)

Copies of Orders in Council extending Part II of the Act to various Colonies and Protectorates are attached to C.O. 55293/1921. Doms.

* No. 37.

II.

CORRESPONDENCE ARISING OUT OF THE RESOLUTIONS OF THE IMPERIAL WAR CONFERENCE, 1917.

RESOLUTION I.: DEMOBILIZATION.

It was agreed that all Dominion contingents in France should start as soon as possible with their equipment from a French or Belgian port, but arrangements will be made to give individual soldiers desiring to visit this country furlough for that purpose.

RESOLUTION II.: UNIFORMITY OF EQUIPMENT.

That this Conference, recognizing the importance of assimilating as far as possible the military stores and equipment of the Imperial forces throughout the Empire, recommends that an expert Committee representative of the military authorities of the United Kingdom, the Dominions, and India be appointed as early as possible to consider the various patterns in use with a view to selecting standard patterns for general adoption as far as the special circumstances of each country admit.

RESOLUTION III.: TRAINING OF ORDNANCE PERSONNEL.

This Conference is of opinion that it is desirable that the ordnance personnel of the military organizations of the Empire should, as far as possible, be trained on the same methods and according to the same principles, and that to secure this end selected officers of the ordnance service from all parts of the Empire should be attached for adequate periods to the Imperial Ordnance Department.

RESOLUTION IV.: NAVAL DEFENCE.

That the Admiralty be requested to work out immediately after the conclusion of the War what they consider the most effective scheme of Naval Defence for the Empire for the consideration of the several Governments summoned to this Conference, with such recommendations as the Admiralty consider necessary in that respect for the Empire's future security.

Secretariat Note.—The correspondence arising out of the above Resolutions is printed with other correspondence as to Naval and Military Defence in Dominions No. 72.

RESOLUTION V.: TRADE COMMISSIONER SERVICE.

That the Imperial War Conference welcomes the proposed increase of the Board of Trade service of Trade Commissioners and its extension throughout the British Empire in accordance with the recommendations of the Dominions Royal Commission, and recommends that the Governments concerned should co-operate so as to make that service as useful as possible to the Empire as a whole, especially for the promotion of Inter-Imperial Trade.

(See pages 83-94 of *Dominions No. 61.*)

2606

No. 41.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 42.]

(No. 21.)

MY LORD,

Downing Street, 27th January, 1920.

WITH reference to your Excellency's despatch No. 267, of the 17th of October, 1917,* regarding the Trade Commissioner Service, I have the honour to request you to inform your Ministers that a Trade Commissioner (Major A. F. G. Anderson) has now been appointed in the Straits Settlements, with headquarters at Singapore.

2. I should be glad to learn whether, in view of the second paragraph of the despatch under reference, your Ministers desire that Major Anderson should communicate with the Dominion Department of Agriculture, Industries, and Commerce, Wellington.

I have, &c.,
(For the Secretary of State)
L. S. AMERY.

35342

No. 42.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 19th July, 1920.)

(No. 77.)

MY LORD,

Government House, Wellington, 26th May, 1920.

WITH reference to your despatch, No. 21, of the 27th January,† I have the honour to inform your Lordship that my Ministers would be glad if, for the present, Major Anderson, Trade Commissioner at Singapore, would arrange to forward any communications that may be necessary to the Minister of Industries and Commerce, Wellington.

I have, &c.,
LIVERPOOL.
Governor-General.

* No. 131 in *Dominions No. 61.* † No. 43.

19242

No. 43.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 44.]

(No. 170.)

MY LORD,

Downing Street, 26th April, 1921.

WITH reference to your predecessor's despatch No. 384, of the 29th October, 1917,* I have the honour to request Your Excellency to inform your Ministers that His Majesty's Senior Trade Commissioner in South Africa has recently called attention to the constant inquiries for information and assistance on Australian trade matters which are being received in the offices of His Majesty's Trade Commissioners at Johannesburg and Cape Town.

2. I should be glad to know whether your Ministers now desire to utilize the services of His Majesty's Trade Commissioners in other parts of the Empire on the lines suggested in the memorandum enclosed in Mr. Long's despatch *Dominions No. 472*, of the 24th July, 1917.†

I have, &c.,
WINSTON S. CHURCHILL.

49992

No. 43A.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8th October, 1921.)

[Answered by No. 44A.]

(No. 578.)

SIR,

Government House, Ottawa, 28th September, 1921.

WITH reference to Mr. (now Viscount) Harcourt's despatch No. 832 of the 5th December, 1912,‡ on the subject of the establishment of more intimate relations between the British Consular Service and the Dominion of Canada, I have the honour to enclose herewith three copies of an approved Minute of the Privy Council for Canada asking that certain amendments be made to the circular issued by the Secretary of State for Foreign Affairs, dated the 9th November, 1912, which was enclosed in the despatch under reference.

I have, &c.,
BYNG OF VIMY.

Enclosure in No. 43A.

(P.C. 3475.)

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 21ST SEPTEMBER, 1921.

THE Committee of the Privy Council have had before them a Report, dated 15th September, 1921, from the Minister of Trade and Commerce, submitting, with reference to the circular forwarded by His Majesty's Government to all British Consuls under date of 9th November, 1912, Commercial No. 47033-12, that pursuant thereto the Department of Trade and Commerce has been publishing from time to time a list of the more important British Consuls-General and Consuls in those countries where Canadian Trade Commissioners' offices were not established, so that the Canadian business public could make inquiry of such Consulates.

The Minister observes that it has developed from time to time that in various foreign countries the British Government has attached to its Embassies and Legations Commercial Counsellors and Commercial Secretaries, and it has been

* No. 129 in *Dominions No. 61.* † No. 123 in *Dominions No. 61.* ‡ 30890; not printed. (It forwarded [with other correspondence] the circular referred to in the enclosure to No. 43A.)

brought to the attention of the Department indirectly that some of the British Consulates listed in the publications issued by the Department of Trade and Commerce have suggested that commercial inquiries from Canada should more properly be addressed to such Commercial Counsellors or Commercial Secretaries as the case may be.

The Minister therefore desires to suggest that His Majesty's Government will address a communication to its various Commercial Counsellors and Commercial Secretaries in the same sense as that of the circular referred to above of 9th November, 1912, so that Canadian exporters may feel free to address communications to such officers if they so desire rather than to the Consulate; the Minister being led to believe that it would be more desirable that such communications should be addressed to Commercial Counsellors or Commercial Secretaries rather than to British Consuls in cities where both officers are maintained by His Majesty's Government.

The Committee, concurring, advise that Your Excellency may be pleased to forward a copy of this Minute, if approved, to the Right Honourable the Secretary of State for the Colonies, for consideration.

All of which is respectfully submitted for Your Excellency's approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

53729

No. 44.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 29th October, 1921.)

(No. 313.)

Sir, Governor-General's Office, Melbourne, 16th September, 1921.

With reference to your despatch dated 26th April, 1921, No. 170,* intimating that inquiries on Australian trade matters are constantly being received by His Majesty's Trade Commissioners at Johannesburg and Cape Town, and asking to be advised whether my Ministers desire to utilize the services of His Majesty's Trade Commissioners in other parts of the Empire, I have the honour to inform you that the question of Australian trade representation abroad is at present receiving the consideration of the Commonwealth Government, and that you will be advised as soon as a decision is reached.

I have, &c.,
FORSTER,
Governor-General.

62230

No. 44A.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 5602 in Dominions No. 83.]

(Extract.)
(No. 730.)

My Lord,

Downing Street, 30th December, 1921.

With reference to Your Excellency's despatch No. 578 of the 28th September requesting that certain amendments be made in the Foreign Office circular of the 9th November, 1912, to His Majesty's Consuls on the subject of more intimate relations between His Majesty's Consular Service and the Dominion of Canada, I have the honour to request you to inform your Ministers that the Secretary of State for Foreign Affairs has pleasure in agreeing that the terms of the circular should be extended to apply to Commercial Diplomatic Officers, and that he will take steps to issue the necessary instructions to such officers.

* No. 43. † No. 43a.

2. Under this arrangement Canadian exporters and Canadian Trade Commissioners will in future be at liberty to apply to Commercial Diplomatic Officers for the same assistance and advice which they have hitherto been entitled to receive from Consular Officers. So far, however, as office accommodation is concerned, the Secretary of State for Foreign Affairs explains that Commercial Diplomatic Officers are, as a rule, stationed in the Embassy or Legation, and that in their case there is not likely to be the same opportunity of affording office accommodation for Canadian Government Commercial representatives as in the case of His Majesty's Consulates.

I have, &c.,
WINSTON S. CHURCHILL.

RESOLUTION VI.: PATENTS AND TRADE MARKS.

The Imperial War Conference commends the proposals of the Board of Trade in the Memorandum on Patents and Trade Marks to the careful consideration of the several constituent Governments of the Empire.

(i) BEARING OF ARTICLES 307 AND 308 OF THE TREATY OF PEACE WITH GERMANY ON PATENT ARRANGEMENTS BETWEEN THE VARIOUS PARTS OF THE BRITISH EMPIRE.

69284

No. 45.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered by Nos. 46, 47, 48, 49, 50.]

(Canada,
(Commonwealth of Australia,
(New Zealand,
(Union of South Africa,
(Newfoundland,

} Dominions No. 17.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 10th January, 1920.

I HAVE the honour to request [Your Excellency] [you] to inform your Ministers that His Majesty's Government have been approached by various Patent Agents for advice as regards the bearing of Articles 307 and 308 of the Peace Treaty with Germany on patent arrangements between the various parts of the British Empire.

2. Under Article 307 a minimum of one year after the coming into force of the Treaty must be accorded to the nationals of the High Contracting Parties without extension fees or other penalty to enable such persons to accomplish any act, fulfil any formality, pay any fees, and generally satisfy any obligation prescribed by the laws or regulations of the respective States relating to the obtaining, preserving, or opposing rights to or in respect of industrial property either acquired before 1st August, 1914, or which, except for the War, might have been acquired since that date as a result of an application made before the War or during its continuance.

3. The interpretation placed upon this Article by His Majesty's Government is that it is incumbent on the signatory States to accord such extension of time to their own nationals, as well as to foreigners, who may be subjects or citizens of the other High Contracting Parties, and, so far as British subjects in the United Kingdom are concerned, the Comptroller General of Patents, Designs and Trade Marks will grant such extension accordingly. It is assumed that the Dominion Governments will take similar action.

4. The wording of Article 308 is slightly different. It provides that the rights of priority provided by Article 4 of the International Convention, of 1883, for the Protection of Industrial Property revised at Washington in 1911, or by any other Convention or Statute, for the filing or registration of applications for patents or models of utility, and for the registration of trade marks, designs and models which had not expired on August 1st, 1914, and those which have arisen during the War, or would have arisen but for the War, shall be extended by each of the High Contracting Parties in favour of all nationals of the other High Contracting Parties for a period of six months after the coming into force of the Treaty.

5. In the opinion of His Majesty's Government it would be clearly inequitable that similar privileges to those given in the United Kingdom to foreigners under the Treaty should not be extended to persons resident in those parts of the Oversea Dominions where action has been taken under the laws in force corresponding to that provided for under the International Conventions. Accordingly the Comptroller-General of Patents, Designs and Trade Marks proposes to exercise the power given to him by the Patents, Designs and Trade Marks (Temporary) Rules, 1914, and to extend the times within which persons residing in those parts of the British Empire in respect of which Orders in Council have been issued under

section 91 of the Imperial Patents Act, 1907, or under section 103 of the Act of 1883, may apply in the United Kingdom for priority in respect of their patent rights. In considering such applications no demand will be made for evidence as regards the circumstances under which the persons concerned failed to apply within the prescribed period.

6. His Majesty's Government hope that, in the British oversea countries concerned, similar privileges will be accorded to persons residing in the United Kingdom. If such privileges are granted they will no doubt be extended to persons residing in other parts of the Empire which grant reciprocal patent privileges.

I have, &c.,

(for the Secretary of State)
L. S. AMERY

16614

No. 46.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 31st March, 1920.)

[Answered by No. 54.]

(No. 109.)

MY LORD, Governor-General's Office, Pretoria, 12th March, 1920.

WITH reference to Your Lordship's despatch Dominions No. 17, of the 10th January, 1920,* regarding the bearing of Articles 307 and 308 of the Peace Treaty with Germany on patent arrangements between the various parts of the British Empire, I have the honour to transmit the accompanying copy of a minute from my Ministers on the subject.

I have, &c.,

BUNTON,
Governor-General.

Enclosure in No. 46.

MINUTE No. 207.

Prime Minister's Office, 2nd March, 1920.

MINISTERS have the honour to acknowledge the receipt of His Excellency's minute No. 57/31, of the 12th ultimo, transmitting for their consideration a copy of a despatch, Dominions No. 17, dated 10th January last, on the subject of the bearing of Section VII of Part X of the Peace Treaty with Germany on patent arrangements between the various parts of the British Empire.

Ministers have been disposed to the view that Articles 306 and 307 of the Treaty are not in the nature of a Convention between the various Powers who were signatories thereto, but that they are provisions creating rights in favour of, and imposing obligations upon, the principal Allied and Associated Powers on the one hand, and Germany on the other. They observe that where, as in Article 308, a provision of the Treaty was intended to operate as a convention between all the individual parties to the Treaty, this intention appears to have been made clear.

Ministers, however, recognize that arguments do exist in favour of the adoption of the contrary interpretation placed upon these Articles by His Majesty's Government, and subject to the reservation that rights or privileges within the Union will not be extended under those Articles in favour of those of the principal Allied and Associated Powers who do not place a similar interpretation upon them, they are prepared in so far as concerns the nationals of the principal Allied or Associated Powers, to adopt the interpretation placed upon these Articles by His Majesty's Government.

Ministers find themselves unable to agree that the Articles in question must be interpreted so as to affect the relations between a signatory State and its own

* No. 45.

subjects. In view, however, of the powers given by Section 3 of the Public Welfare and Moratorium Acts Extension and Further Amendment Act, 1919, Ministers do not anticipate that the extension to nationals of the Principal Allied and Associated Powers of rights and privileges under Articles 306 and 307 of the Treaty will result in such nationals being placed in any favoured position in relation to British subjects resident within the Union.

Upon receipt of advice that any State concerned, including, of course, any British Dominion, will extend rights and privileges under Articles 306 and 307 of the Treaty to the people of the Union of South Africa, Ministers will take such steps as may be necessary for according similar treatment within the Union to the people of that State.

J. C. SMUTS.

24077

No. 47.

CANADA.

THE ACTING GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 15th May, 1920.)

[Answered by No. 51.]

(No. 292.)

MY LORD,

Ottawa, 1st May, 1920.

WITH reference to your despatch No. 17 of the 10th January, 1920,* on the bearing of Articles 307 and 308 of the Peace Treaty with Germany on patent arrangements between the various parts of the British Empire, I have the honour to inform you that, at the instance of the Enemy Debts Committee, an Order in Council was passed on the 14th April entitled "The Treaty of Peace, Germany, Order 1920," from which it appears that Canada has given even broader interpretation to Article 307 than that given by the British authorities, but the rights conferred by Article 308 have not been extended to British subjects as was done in the United Kingdom, there being no power in Canada to do so by Order in Council. However, under Chapter 26 of 10 George V., these rights will be extended to any British subject on his application.

I enclose a copy of the Order in Council of the 14th April, 1920,† together with two copies of the Act of the Parliament of Canada 10 George V. chapter 26, "An Act respecting Patents of Invention."

I have, &c.,

L. H. DAVIES,

Administrator.

* No. 45.

† P.C. 755, 1920. Paragraph 81 of this Order was as follows:—

At any time before the eleventh day of January, 1921, any British subject or any national of a Power allied or associated during the War with His Majesty or any German national may without extension fees or other penalty accomplish any act, fulfil any formality, pay any fees, and generally satisfy any obligation prescribed by the laws or regulations of Canada relating to the obtaining, preserving, or opposing rights to or in respect of industrial property either acquired before the first day of August, 1914, or which, except for the War, might have been acquired since that date as a result of an application made before or during the War.

(2) All rights to, or in respect of, such property which may have lapsed by reason of any failure to accomplish any act, fulfil any formality, or make any payment, shall revive, but subject in the case of patents and designs, to the imposition of such conditions as the Governor in Council may deem reasonably necessary for the protection of persons who have manufactured or made use of the subject matter of such property while the rights have lapsed. Further, where rights to patents or designs belonging to German nationals are revived under this Order, they shall be subject in respect of the grant of licences to the same provisions as would have been applicable to them during the War, as well as to all the provisions of this Order.

24530

No. 48.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 18th May, 1920.)

[Answered by No. 55.]

(No. 59.)

MY LORD,

Government House, St. John's, 5th May, 1920.

I HAVE the honour to acknowledge the receipt of your despatch Dominions No. 17 of the 10th January* on the subject of the bearing of Articles 307 and 308 of the Peace Treaty with Germany on Patent arrangements between the various parts of the British Empire, and to inform you that my Government is in sympathy with the proposals set forth in your despatch under reference and will act in conformity with the procedure outlined therein so far as the law of Newfoundland permits.

2. My Ministers observe that there are no reciprocal arrangements between Newfoundland and other parts of the Empire in connexion with Patents.

I have, &c.,

C. ALEXANDER HARRIS.

35159

No. 49.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 17th July, 1920.)

[Answered by No. 54.]

(No. 398.)

MY LORD,

Governor-General's Office, Cape Town, 23rd June, 1920.

I HAVE the honour to transmit herewith a copy of Union Proclamation No. 101, of 1920, as published in the Government Gazette of the 18th June, giving effect within the Union to such portions of Section VII of Part X of the Treaty of Peace with Germany as are capable of application in this country.

I have, &c.,

BUXTON,

Governor-General.

Enclosure in No. 49.

PROCLAMATION No. 101, 1920.

WHEREAS by Section VII (Articles 306 to 311) of Part X of the Treaty of Peace between the Allied and Associated Powers and Germany signed at Versailles on the 20th day of June, 1919, and ratified at Paris on the 10th day of January, 1920, provision is made in respect of the re-establishment, restoration, or recognition in the Territories of the High Contracting Parties of certain rights of industrial, literary, and artistic property acquired or which, except for the War, would have been acquired;

And whereas by the Treaty of Peace and South-West Africa Mandate Act, 1919, of the Union Parliament, power has been conferred upon me *inter alia* to issue such instructions and do such things as appear to me to be necessary for giving effect, so far as concerns the Union, to any of the provisions of the Treaty, notwithstanding any provision to the contrary in any law contained;

And whereas, subject to certain conditions, it is desirable that Articles 306, 307, 309, and 310 of the Treaty of Peace should have the force of law within the Union;

Now, therefore, under and by virtue of the powers conferred upon me, I do hereby proclaim, declare, and make known as follows:—

(1) Subject to the provision contained in paragraph 2 of this Proclamation, Articles 306, 307, 309, and 310 (which articles are set forth in the Schedule to this Proclamation) shall have the force of the law within the Union.

(2) Whenever any right in, or in respect of, any industrial property which may have lapsed by reason of any failure to accomplish any act, fulfil any formality, or make any payment, shall under Article 307 of the Treaty of Peace be revived, such revival shall in the case of patents and designs, in addition to any condition in respect of the grant of licences which may be imposed in terms of the said article, be made subject to the special condition that no rights acquired by any person who has in good faith manufactured or made use of the subject matter of such property while the rights therein had lapsed shall, in any way or at any time, be prejudiced by such revival, and subject to such further special conditions as the Governor-General may in any case deem it reasonably necessary to impose for the protection of any such person.

(3) The period which shall, under Article 307 of the Treaty, be accorded to the Nationals of the High Contracting Parties for accomplishing any such Act, fulfilling any such formality, paying any such fees, and generally satisfying any such obligation as is referred to in the said article, shall extend to and include the 15th day of June, 1921.

GOD SAVE THE KING.

Given under my Hand and the Great Seal of the Union of South Africa at Pretoria, this Twelfth day of June One thousand Nine hundred and Twenty.

Buxton,

Governor-General.

By Command of His Excellency the
Governor-General-in-Council.

N. J. DE WET.

37981

No. 50.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2nd August, 1920.)

[Answered by No. 53.]

(No. 91.)

My Lord,

Government House, Wellington, 18th June, 1920.

With reference to your despatch of the 10th January, Dominions No. 17,† concerning the bearing of Articles 307 and 308 of the Peace Treaty with Germany on patent arrangements between various parts of the British Empire, I have the honour to inform Your Lordship that my Ministers place the same interpretation as His Majesty's Government on Section 307, in the respect referred to, and that any doubt as to the extent of Article 308 on the point mentioned, so far as British subjects are concerned, is removed by Rule 24 of the Treaty of Peace Order, 1920.‡

2. My Ministers regret that the reply to your despatch has had to be delayed till the issue of the Order in Council,* a copy of which is enclosed.

I have, &c.,

LIVERPOOL.

Governor-General.

† No. 45.

‡ This rule was as follows:—

"The rights conferred on the subjects of the Allied and Associated Powers in respect of patents, designs, and trade marks by Article 308 of the Treaty are hereby extended to all British subjects and British companies resident or carrying on business during the late War with Germany in any country to which section one hundred and twenty-nine of the Patents, Designs, and Trade Marks Act, 1911, applies."

39619

No. 51.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 530.)

My Lord Duke,

Downing Street, 28th August, 1920.

I HAVE the honour to acknowledge the receipt of Sir W. H. Davies's despatch No. 292 of the 1st of May* relating to the bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent arrangements between the various parts of the British Empire.

2. I enclose for the information of Your Excellency's Ministers copies of despatches† on the subject from the Governor-General of New Zealand (with Rule 24 of the New Zealand Treaty of Peace Order), the Governor-General of the Union of South Africa, and the Governor of Newfoundland.

3. As regards the concluding paragraph of the Minute of Ministers enclosed in the despatch from the Governor-General of the Union of South Africa of 12th March, the Board of Trade have now given formal intimation to the Union Government that the extension of time accorded by Article 307 of the Treaty (referred to in paragraph 3 of Colonel Amery's despatch Dominions No. 17 of the 10th of January‡) will be given to all British subjects who apply in the United Kingdom.

Similarly as regards Article 308 the power given to the Comptroller-General of Patents, Designs, and Trade Marks by the Patents, Designs, and Trade Marks (Temporary) Rules, 1914, will be extended to all British subjects who have applied for patents, etc., in those parts of the British Empire in respect of which Orders in Council have been issued under section 91 of the Imperial Patents Act, 1907, or section 103 of the Act of 1883.

4. In this connexion I am informed that, under the War Emergency Laws (Continuance) Act, 1920, the operation of the Patents, Designs, and Trade Marks (Temporary) Rules, 1914, has been extended until the 10th of January, 1921.

5. Attention has been called to a possible ambiguity in the wording of paragraphs 3, 5 and 6 of the above-mentioned despatch of the 10th January. The phrase in paragraph 3, "British subjects residing in the United Kingdom," was meant to cover all British subjects who apply in the United Kingdom for the extension of time dealt with in that paragraph. Similarly in paragraph 5 the phrase used should have been "British subjects who have applied for patents, etc., in those parts of the British Empire in respect of which Orders in Council have been issued . . ." and the wording of paragraph 6 should have been similarly framed, i.e., the words "who have applied" should have been substituted in both sentences for the word "residing."

I have, &c.,

MILNER.

39619

No. 52.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 344.)

SIR,

Downing Street, 28th August, 1920.

With reference to Colonel Amery's despatch Dominions No. 17 of the 10th of January,‡ I have the honour to transmit to Your Excellency, to be laid before your Ministers, copies of despatches§ from the Officer Administering the Government of Canada (with paragraph 81 of the Canadian Treaty of Peace Order) the Governor-General of New Zealand (with Rule 24 of the New Zealand Treaty of Peace Order) the Governor-General of the Union of South Africa, and the Governor of Newfoundland relating to the bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent arrangements between the various parts of the British Empire.

* No. 47.

† Nos. 50, 46, 49, and 48.

‡ No. 45.

§ Nos. 47, 50, 46, 49, and 48.

2. *[This paragraph is in identic terms with paragraph 3 of the despatch to the Governor-General of Canada dated 28th August, 1920 (No. 51).]*

3. In this connexion I would invite reference to my telegram of the 29th July* stating that (under the War Emergency Laws (Continuance) Act, 1920) the operation of the Patents, Designs and Trade Marks (Temporary) Rules, 1914, has been extended until the 10th of January, 1921.

4. *[This paragraph is in identic terms with paragraph 5 in No. 51.]*

I have, &c.,

MILNER.

39619

No. 53.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE ACTING GOVERNOR-GENERAL.

[Answered by No. 56.]

(No. 174.)

MY LORD,

Downing Street, 28th August, 1920.

I HAVE the honour to acknowledge the receipt of Lord Liverpool's despatch No. 91 of the 18th June† as to the bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent arrangements between the various parts of the British Empire.

2. I enclose, for the information of Your Excellency's Ministers, copies of despatches‡ from the Officer Administering the Government of Canada (with paragraph 81 of the Canadian Treaty of Peace Order) the Governor-General of the Union of South Africa, and the Governor of Newfoundland.

[Paragraphs 3, 4 and 5 are in identic terms with those of the despatch to the Governor-general of Canada of the 28th August, 1920 (No. 51).]

I have, &c.,

MILNER.

39619

No. 54.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 352.)

MY LORD,

Downing Street, 28th August, 1920.

I HAVE the honour to acknowledge the receipt of Your Excellency's despatches Nos. 109, of 12th March, and 398, of 23rd June,§ relating to Articles 306, 307, 309, and 310 of the Treaty of Peace with Germany, and the bearing of Articles 307 and 308 of the Treaty on Patent arrangements between the various parts of the British Empire.

2. As regards the concluding paragraph of the minute of Ministers of 12th March, enclosed in the first of these despatches, the Board of Trade desire to give formal intimation to the Union Government that the extension of time accorded by Article 307 of the Treaty (referred to in paragraph 3 of Colonel Amery's despatch Dominions No. 17, of the 10th of January||) will be given to all British subjects who apply in the United Kingdom.

Similarly as regards Article 308 the power given to the Comptroller-General of Patents, Designs, and Trade Marks by the Patents, Designs, and Trade Marks (Temporary) Rules, 1914, will be extended to all British subjects who have applied for patents, etc., in those parts of the British Empire in respect of which Orders in Council have been issued under section 91 of the Imperial Patents Act, 1907, or section 103 of the Act of 1883.

3. In this connexion I am informed that under the War Emergency Laws (Continuance) Act, 1920, the operation of the Patents, Designs, and Trade Marks (Temporary) Rules, 1914, has been extended until the 10th of January, 1921.

* Not Printed. The telegram in question inquired as to the reciprocal arrangements with the United States. † No. 50. ‡ Nos. 47, 46, 49, and 48. § Nos. 46 and 49. || No. 45.

4. As regards the other self-governing Dominions, I enclose, for the information of your Ministers, copies of despatches* from the Officer Administering the Government of Canada (with paragraph 81 of the Canadian Treaty of Peace Order), the Governor-General of New Zealand (with Rule 24 of the New Zealand Treaty of Peace Order), and the Governor of Newfoundland.

5. *[This paragraph is in identic terms with paragraph 5 of the despatch to the Governor-general of Canada of the 28th August, 1920 (No. 51).]*

I have, &c.,

MILNER.

39619

No. 55.

NEWFOUNDLAND.

THE SECRETARY OF STATE TO THE GOVERNOR.

(No. 97.)

SIR,

Downing Street, 28th August, 1920.

I HAVE the honour to acknowledge the receipt of your despatch No. 59, of the 5th of May,† as to the bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent arrangements between the various parts of the British Empire.

2. I enclose, for the information of your Ministers, copies of despatches‡ from the Officer Administering the Government of Canada (with paragraph 81 of the Canadian Treaty of Peace Order), the Governor-General of New Zealand (with Rule 24 of the New Zealand Treaty of Peace Order), and the Governor-General of the Union of South Africa.

[Paragraphs 3, 4, and 5 are in identic terms with those of the despatch to the Governor-General of Canada of the 28th August, 1920 (No. 51).]

I have, &c.,

MILNER.

2395

No. 56.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 15th January, 1921.)

(No. 193.)

MY LORD,

Government House, Wellington, 2nd December, 1920.

WITH reference to Your Lordship's despatch, No. 174, of the 28th August,§ on the subject of the bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent arrangements between the various parts of the British Empire, I have been asked by my Ministers to point out that the provision so far made in this country is that contained in the Treaty of Peace Order (a copy of which is enclosed),|| and that as the Patents (Temporary) Regulations expired on the 10th July, there is at present no provision for cases requiring more than twelve months' priority received after that date.

2. It is the intention of my Government to make provision for such later cases as are provided for in Great Britain, but it was considered advisable to defer action and validate such cases in the Patent Legislation to be brought down next session.¶

I have, &c.,

JELlicoe,
Governor-General.

* Nos. 47, 50, and 48. † No. 48. ‡ Nos. 47, 50, 46, and 49. § No. 53. || See Rule 24 printed with No. 50. ¶ See Order in Council under § 23 of the New Zealand Finance Act, 1921, printed in the New Zealand Government Gazette, No. 55 of 9th June, 1921.

2395

No. 57.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada. No. 45.)
(Commonwealth of Australia. No. 40.)
(Union of South Africa. No. 28.)
(Newfoundland. No. 16.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 21st January, 1921.

WITH reference to my despatch No. [530,] [344,] [352,] [97,] of the 28th August, 1920,* I have the honour to transmit to [Your Royal Highness,] [Your Excellency,] [you,] to be laid before your Ministers, a copy of a despatch† from the Governor-General of New Zealand on the subject of the bearing of Articles 307 and 308 of the Treaty of Peace with Germany on Patent arrangements between the various parts of the British Empire.

I have, &c.,
MILNER.

(ii) LEGISLATION IN THE SELF-GOVERNING DOMINIONS AS REGARDS PATENTS AND TRADE MARKS.

UNION OF SOUTH AFRICA.

(See pages 99-106 of Dominions No. 61.)

1424

No. 58.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 59.]

(No. 126.)

MY LORD, Downing Street, 17th March, 1920.

WITH reference to my despatch No. 285, of the 15th of July, 1918,† and connected correspondence, I have the honour to request Your Excellency to inform your Ministers that the attention of the Board of Trade has been called to certain differences which appear to exist between the rights accorded to applicants for patents in the United Kingdom under the Order in Council of 25th June, 1918, and those accorded to applicants for patents in the Union of South Africa under the Governor-General's Proclamation of 26th June, 1918.

2. Section 91 of the Imperial Patents Act, 1907, provides that if the Legislature of any British Possession has made satisfactory provision for the protection there of inventions patented in the United Kingdom, persons who have applied for protection in that British Possession shall, on the issue of the necessary Order in Council, be entitled in the United Kingdom to patents for their inventions in priority to other applicants, provided that application is made within twelve months of the application for protection in the British Possession concerned. Accordingly, in the case of applications made in the United Kingdom where rights are claimed under the Order in Council of 25th June, 1918, the date given to the application and patent would be the date of the application by the inventor in the Union of South Africa, and the latter would have all the rights of a patentee from such date as against any later application.

* Nos. 51, 52, 54, and 55. † No. 55. ‡ No. 154 in Dominions No. 61.

3. Section 41 (2) of the Union Act No. 9, of 1916, makes, however, no express mention of priority. It simply contemplates that, on completion of the necessary formalities under section 191 of that Act, the grant of a patent in a country outside the Union, whether a British Possession or not, shall not be a bar to the grant of a patent for the same invention in the Union, provided that the application for the grant of a Union patent shall be made within twelve months of the date of the lodging of the application for a patent in the other country concerned. The effect of the Governor-General's Proclamation of 26th June, 1918, read in conjunction with section 41 of the 1916 Act is that neither the grant of a patent in the United Kingdom, nor the publication of the invention in print in the Union or elsewhere, for its use in the Union during the twelve months, is to invalidate a patent for the invention granted in the Union on an application made within the time prescribed. Section 41 is silent as to the result of the grant in the Union of a patent on an application preceding the British application in the Union, but subsequent to the application in respect of the same invention in the United Kingdom.

4. The procedure which appears to be adopted in the Union of giving to patents of the kind in question the date of the application in the Union and not the date of the application in the country of origin is one which is adopted by many of the countries which are signatories of the Industrial Property Convention, and it is possible that, as in the case of some of such countries, priority is in fact given in the Courts of Law of the Union. This, however, as already explained, is not apparent from the wording of section 41 of the 1916 Act, and the Board of Trade are anxious to ascertain what rights of priority, if any, are given in the Union of South Africa under section 41 in respect of applications which have been made first in the United Kingdom, and subsequently in the Union. I should be glad to obtain an expression of your Ministers' views on the subject.

I have, &c.,
(for the Secretary of State)
L. S. AMERY.

206

No. 59.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8th June, 1920.)

[Answered by No. 60.]

(No. 287.)

MY LORD, Governor-General's Office, Cape Town, 18th May, 1920.

I HAVE the honour to transmit to you herewith, with reference to Your Lordship's despatch, No. 126, of the 17th March, 1920,* copy of minute No. 480, from Ministers, dated 15th May, 1920, on the subject of the interpretation of sub-section (2) of section 41, of the Union Patents, Designs, Trade Marks and Copyright Act of 1916.

I have, &c.,
BUXTON,
Governor-General.

Enclosure in No. 59.

MINUTE No. 480

Prime Minister's Office at Cape Town, 15th May, 1920.

MINISTERS have the honour to acknowledge the receipt of His Excellency's minute No. 7/2361, of the 13th April, with which was transmitted a despatch No. 126, dated the 17th March, 1920, from the Secretary of State for the Colonies, relative to the effect of sub-section (2) of section forty-one of Union Act No. 9 of 1916.

2. Ministers are advised that as regards the countries to which that sub-section has been applied under section 191 of the Act (e.g., Great Britain and Australia), the effect of the sub-section is merely to protect the patentee against the

* No. 58.

consequences of publication outside the Union. Such publication would otherwise be fatal to his application for the grant of a Union patent, owing to the use of the expression "or any country" in the definition of "invention" in section six of the Act.

It was never intended that by section *forty-one* (2) any rights of priority should be conferred, and it is considered that priority would not in fact be recognized in such cases by Union courts.

3. Ministers would be prepared to consider the introduction at a suitable opportunity of legislation amending section *forty-one* (2); and suggest that the amendment should entitle the applicant under the sub-section to a patent for his invention in priority to other applicants: and should provide that the patent should bear the same date as the date of the application in the country outside the Union. But it should also be provided that the patentee should not be entitled to recover damages for infringements which took place prior to the actual date when the patentee's complete specifications were accepted in the Union.

F. S. MALAN.

80475

No. 60.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 273.)

MY LORD,

Downing Street, 26th June, 1920.

1. WITH reference to Your Excellency's despatch No. 287, of the 18th May,* I have the honour to request you to inform Your Ministers that His Majesty's Government would welcome an amendment of sub-section 2 of section 41 of the Union Patents, Designs, Trade Marks, and Copyright Act, 1916, on the lines suggested.

2. Such an amendment would give substantial reciprocity to persons in the United Kingdom and would, as far as Patents are concerned, satisfy the requirements of Article 4 of the International Convention for the Protection of Industrial Property.

I have, &c.,

MILNER.

Secretariat Note.—No correspondence subsequent to No. 60 took place on this subject. The Act referred to in No. 60 has not been amended.

* No. 59.

RESOLUTION VIII.: CARE OF SOLDIERS' GRAVES.

The Conference, having considered the Minute addressed to the Prime Minister on the 15th March, 1917, by his Royal Highness the Prince of Wales, concurs in the proposals made therein, and humbly prays His Majesty to constitute by Royal Charter an Imperial War Graves Commission for the purposes stated by His Royal Highness, and along the lines therein set forth as embodied in the draft charter submitted to the Conference. The Conference places on record its very deep appreciation of the generous action of the French Government in allotting in perpetuity the land in that country where our men are buried, and urges that similar arrangements should be made, if possible, in the terms of peace with all Governments—Ally, Enemy, or Neutral—for a similar concession in Gallipoli, Mesopotamia, Africa, and all other theatres of war. The Conference desires to record its grateful appreciation of the work already done by the Prince of Wales and his Committee in caring for the graves of those who have fallen in the common cause of the Empire, and its satisfaction that His Royal Highness has consented to become the President of the permanent Commission.

and

RESOLUTION XII.: CARE OF SOLDIERS' GRAVES.

That the Imperial War Graves Commission be requested as soon as possible after their appointment and organization to prepare an estimate of the probable cost of carrying on the work entrusted to them and to submit the same to the Governments of the United Kingdom and Oversea Dominions with their recommendation as to the proportion that should be borne by each.

(See pages 110 and following of Dominions No. 61.)

Secretariat Note.—Correspondence, which is not printed, took place with the Dominion Governments as to the location of war graves and details of administration.

The general question was further discussed at the Imperial War Conference, 1918, see pages 28-33, and 226-228 of [Cd. 9177], and Resolution No. I; also pages 1-2 of Dominions No. 69.

For further correspondence see under Resolution I of the 1918 Conference (pages 74-75 of this volume).

RESOLUTION IX: CONSTITUTION OF THE EMPIRE.

The Imperial War Conference are of opinion that the readjustment of the constitutional relations of the component parts of the Empire is too important and intricate a subject to be dealt with during the War, and that it should form the subject of a special Imperial Conference to be summoned as soon as possible after the cessation of hostilities.

They deem it their duty, however, to place on record their view that any such readjustment, while thoroughly preserving all existing powers of self-government and complete control of domestic affairs, should be based upon a full recognition of the Dominions as autonomous nations of an Imperial Commonwealth and of India as an important portion of the same; should recognize the right of the Dominions and India to an adequate voice in foreign policy and in foreign relations; and should provide effective arrangements for continuous consultation in all important matters of common Imperial concern, and for such necessary concerted action, founded on consultation, as the several Governments may determine.

Secretariat Note.—This question is alluded to in the correspondence as to the preliminary arrangements for the Imperial Meetings, 1921 (see pages 205 and following of this volume), and was further discussed at those Meetings (see page 9 of [Cmd. 1474]). It was decided that having regard to the constitutional developments since 1917, no advantage was to be gained by holding a Constitutional Conference. Correspondence on various Constitutional questions is contained in Dominions No. 66.

RESOLUTION X: NATURALIZATION.

The Conference recognizes the desirability and importance of securing uniformity of policy and action throughout the Empire with regard to naturalization.

It is resolved that the proposals set forth in the Memorandum submitted by the Home Office be commended to the consideration of the respective Governments summoned to the Conference.

Secretariat Note.—For correspondence as to Naturalization, subsequent to that printed in Dominions No. 61, see under Resolutions XIX and XX of the Imperial War Conference, 1918 (pages 185 and following of this volume).

RESOLUTION XIII.: IMPERIAL MINERAL RESOURCES BUREAU.

That it is desirable to establish in London an Imperial Mineral Resources Bureau, upon which should be represented Great Britain, the Dominions, India, and other parts of the Empire.

The Bureau should be charged with the duties of collection of information from the appropriate Departments of the Governments concerned and other sources regarding the mineral resources and the metal requirements of the Empire, and of advising from time to time what action, if any, may appear desirable to enable such resources to be developed and made available to meet the metal requirements of the Empire.

That the Conference recommends that His Majesty's Government should, while having due regard to existing institutions, take immediate action for the purpose of establishing such a Bureau, and should as soon as possible submit a scheme for the consideration of the other Governments summoned to the Conference.

(See pages 137 and following and page 235 of Dominions No. 61.)

Secretariat Note.—Further discussion as to the Imperial Mineral Resources Bureau took place at the Imperial War Conference, 1918, and another Resolution (No. XVI.) was passed. See the discussion printed on pages 87-92, 115-123, and 167-168 of [Cd. 9177], page 194 of Dominions No. 69, and page 160 of this volume.

RESOLUTION XIV.: PRODUCTION OF NAVAL AND MILITARY MATERIAL. MUNITIONS, AND SUPPLIES.

That this Conference in view of the experience of the present War, calls attention to the importance of developing an adequate capacity of production of naval and military material, munitions, and supplies in all important parts of the Empire (including the countries bordering on the Pacific and Indian Oceans) where such facilities do not presently exist and affirms the importance of close co-operation between India, the Dominions, and the United Kingdom with this object in view.

Secretariat Note.—The correspondence arising out of this Resolution is printed with other correspondence as to Military and Naval Defence in Dominions No. 72.

RESOLUTION XV.: DOUBLE INCOME TAX.

The present system of Double Income Taxation within the Empire calls for review in relation—

- (i) to firms in the United Kingdom doing business with the Oversea Dominions, India, and the Colonies;
- (ii) to private individuals resident in the United Kingdom who have capital invested elsewhere in the Empire, or who depend upon remittances from elsewhere within the Empire, and
- (iii) to its influence on the investment of capital in the United Kingdom, the Dominions, and India, and to the effect of any change on the position of British capital invested abroad.

The Conference, therefore, urges that this matter should be taken in hand immediately after the conclusion of the War, and that an amendment of the law should be made which will remedy the present unsatisfactory position.

18446

No. 61.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 10.0 p.m., 24th March, 1919.)

TELEGRAM.

[Answered by Nos. 63, 64, 66, and 74.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

(Paraphrase.)

With reference to discussions in 1917 and 1918 at Imperial War Conference, with regard to double income tax. Royal Commission is about to be appointed by His Majesty's Government, terms of reference to which are as follows:—

Begins.—To inquire into income tax (including super-tax) of United Kingdom in all its aspects, including scope, rates, and incidence of tax, allowances and reliefs, administration, assessment, appeal, and collection, and prevention of evasion, and to report what alterations of law and practice are necessary or desirable in their opinion, and what effect they would have on rates of tax if it were necessary to maintain total yield.—*Ends.*

Question of double income tax will necessarily come up before Commission, and it is proposed to arrange that Commission should confer on this question with financial representatives selected by Dominion Governments, such conference to take place at some stage during inquiry and before Commission arrives at its final conclusions.

As larger portion of Commission's work will necessarily relate to points of purely United Kingdom interest, and often of highly technical character, this course is thought preferable to inclusion of Dominion representatives on personnel of Commission.

Announcement of appointment of Royal Commission will be made in House of Commons shortly, and reference to this subject will be made, but, until announcement is made, it is requested that the matter may be treated as strictly confidential. I should be glad to know in due course whom your Government selects as its representative for Conference in question.—MILNER.

18469

No. 62.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

} Dominions No. 260.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 8th April, 1919.

WITH reference to previous correspondence on the subject of double income tax, I have the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, the accompanying extract from the official report of the proceedings of the House of Commons, containing a statement by the Chancellor of the Exchequer, on the 27th of March, as to the appointment of a Royal Commission to inquire into the income tax, together with an extract* from *The Times* newspaper, of the 28th March, containing a public announcement of the appointment of the Royal Commission.

I have, &c.,

MILNER.

Enclosure in No. 62.

PARLIAMENTARY DEBATES (VOLUME 114, No. 36, PAGE 585).—HOUSE OF COMMONS, THURSDAY, 27TH MARCH, 1919.

Income Tax: Royal Commission: Constitution and Terms of Reference.

LIEUTENANT-COLONEL ASSHETON POWNALL asked the Chancellor of the Exchequer whether the Royal Commission on the income tax has yet been appointed; and if not, if he can state when it will be appointed?

MR. CHAMBERLAIN: The consent of His Majesty has been obtained to the appointment of a Royal Commission with the following terms of reference:—

"To inquire into the income tax (including super-tax) of the United Kingdom in all its aspects, including the scope, rates, and incidence of the tax, allowances and reliefs, administration, assessment, appeal and collection, and prevention of evasion, and to report what alterations of law and practice are in their opinion necessary or desirable, and what effect they would have on rates of tax if it were necessary to maintain the total yield."

I think honourable Members will desire to know the constitution of the Commission.

HONOURABLE MEMBERS: Hear, hear.

MR. CHAMBERLAIN: It will be as follows:—

Lord Colwyn (Chairman).
The Right Honourable Sir T. Whittaker, M.P.
The Right Honourable Charles William Bowerman, M.P.
The Right Honourable William Brace, M.P.
The Right Honourable Ernest Pretymann, M.P.
Sir Edmund Nott-Bower, K.C.B.
Sir J. Harwood-Banner, M.P.
Sir Walter Trower.
Mr. Holland Martin, C.B.
Mr. N. F. Warren Fisher, C.B.
Mr. S. Armitage Smith, C.B.
Mr. Philip Birley.
Mr. William Graham, M.P.
Mr. Arthur Hill.
Mr. D. M. Kerley, K.C.
Mrs. Lilian Knowles.
Mr. H. J. Mackinder, M.P.
Mr. W. McLintock.

* Not printed.

Mr. Edward Manville, M.P.
Mr. Geoffrey Marks.
Mr. Henry J. May.
Professor A. C. Pigou.
Mr. Nicholas J. Synnott.

The Secretary of the Commission will be Mr. Ernest Clark, of the Inland Revenue Department.

Honourable Members will no doubt remember that it was recently stated by my honourable friend the Financial Secretary, that I was in communication with the Secretary of State for the Colonies on the subject of the representation of the Dominions on the Commission. I have since had the opportunity of discussing the question with my right honourable friend, and we have decided that, as the work of the Commission will for the most part necessarily relate to points of purely United Kingdom interest, and often of a very highly technical character, it would not be desirable to invite representatives of the Dominions to sit on the Commission. It has, however, been arranged that the Commission shall confer with financial representatives of the Dominion Governments in regard to the question of double income tax before any financial conclusions are reached on that subject.

22471

No. 63.

NEW ZEALAND

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 9.0 a.m., 12th April, 1919.)

TELEGRAM.

(Paraphrase.)

Your telegram 24th March.* Proposed Royal Commission to inquire into income tax. High Commissioner for New Zealand has been appointed by my Government as New Zealand representative.—LIVERPOOL.

27537

No. 64.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 10.46 a.m., 7th May, 1919.)

TELEGRAM.

With reference to your telegram 24th March.* Sir Robert Garran, Commonwealth Solicitor-General, will act as Commonwealth representative to confer with Income Tax Royal Commission.—FERGUSON.

35083

No. 65.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 5.40 p.m., 14th June, 1919.)

TELEGRAM.

[Answered by Nos. 66 and 74.]

(Canada.)
(Union of South Africa.)
(Newfoundland.)

My telegram 24th March.* Hoped that, when Income Tax Commission adjourns for recess end of July, all witnesses dealing with question of double income tax from United Kingdom point of view will have been heard, and that procedure as to placing views of Dominions before Commissioners will have been decided.

* No. 61.

Commission reassembles 10th September, and will be, it is anticipated, in a position to consult Dominion delegates very shortly afterwards. In these circumstances should be glad to learn as soon as possible whom your Government selects as representative. In the meantime proof of evidence bearing upon question being sent to High Commissioner.—MILNER.

37777

No. 66.

NEWFOUNDLAND

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 12.20 a.m., 26th June, 1919.)

TELEGRAM.

25TH JUNE. Your telegram 24th March, your telegram 14th June.* income tax. My Ministers have decided not to appoint representative at the present time.—HARRIS.

40372

No. 67.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 12.45 p.m., 5th July, 1919.)

TELEGRAM.

[Answered by Nos. 69 and 75.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

5TH JULY. My telegram of the 24th March.† Sub-Committee Income Tax Royal Commission now appointed to confer with representatives Dominions and United Kingdom in order to consider what arrangements with the various Dominions practicable in order to ensure that any existing hardship arising from imposition double income tax within the Empire may be remedied.

First meeting probably 9th September.—MILNER.

40372

No. 68.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL

(Sent 12.45 p.m., 5th July, 1919.)

TELEGRAM.

[Answered by No. 74.]

(Canada.)
(Union of South Africa.)

5TH JULY. My telegram of to-day,‡ double income tax. Should be glad of early reply to my telegram of 14th June,§ selection of [Canadian], [Union] representatives.—MILNER.

* Nos. 61 and 65.

† No. 61.

‡ No. 67.

§ No. 65.

44090

No. 69.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.46 p.m., 28th July, 1919.)

TELEGRAM.

28TH JULY. Your telegram 5th July,* double income tax. Commonwealth representative cannot reach London until middle of September; will be glad if you could arrange for consideration of matter to be deferred till he arrives.—FERGUSON.

44262

No. 70.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 11.45 a.m., 29th July, 1919.)

TELEGRAM.

[Answered by No. 74.]

(Canada.)
(Union of South Africa.)

29TH JULY. Reference to my telegram of 5th July.† Double Income Tax Royal Commission. Anxious that appointment of [Canadian] [Union] representatives should be made as soon as possible.—MILNER.

44262

No. 71.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.45 a.m., 29th July, 1919.)

TELEGRAM.

[Answered by No. 72.]

My telegram of 5th July,* Double Income Tax Royal Commission inquire whether Australian representative, who, it is understood, will replace Garran, see your telegram of 7th May,† will arrive in United Kingdom before 9th September.—MILNER.

44379

No. 72.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE

(Received 7.55 a.m., 30th July, 1919.)

TELEGRAM.

[Answered by No. 73.]

Your telegram 29th July,§ my telegram 28th July,|| double income tax, G. H. Knibbs, Commonwealth Statistician, who will represent Commonwealth of Australia, cannot reach London before 12th September. Suggest date consultation be altered to 16th September.—FERGUSON.

* No. 67. † No. 68. ‡ No. 64. § No. 71. || No. 69.

45574

No. 73.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 6 p.m., 7th August, 1919.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(Union of South Africa.)

7TH AUGUST. [To Commonwealth of Australia only: Your telegram 30th July,* double income tax. Date of first conference fixed 23rd September.] [To Canada and Union of South Africa only: My telegram, 29th July,† double income tax. Date of first conference fixed 23rd September. Feared not practicable to postpone meeting further.]-MILNER.

49963

No. 74.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.30 a.m., 29th August, 1919.)

TELEGRAM.

27TH AUGUST. With further reference to your telegrams 5th July and 29th July,‡ Royal Commission on Income Tax. Union of South Africa has selected James Burns, Imperial Service Order, formerly Secretary to the Agent-General of the Transvaal, as Union representative.—BUXTON.

59646

No. 75.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 17th October, 1919.)

(No. 119.)

MY LORD, Government House, St. John's, 30th September, 1919.
ADVERTING to your telegram of the 5th July,§ on the subject of the Royal Commission on Income Tax, I have the honour to intimate that my Ministers, after a conference with Sir Edgar Bowring, have reconsidered this matter and asked me to say that they should wish their High Commissioner to act as representative for Newfoundland on the Commission.

I have, &c.,
C. ALEXANDER HARRIS.

20078

No. 76.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.)	} Dominions No. 180.)
(Commonwealth of Australia.)	
(New Zealand.)	
(Union of South Africa.)	
(Newfoundland.)	

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 30th April, 1920.
WITH reference to my despatch Dominions No. 114, of the 24th March,|| I have the honour to transmit to [Your Excellency.] [you,] for the information of

* No. 72. † No. 70. ‡ Nos. 68 and 70. § No. 67. || See Note after No. 77.

your Ministers, an extract from the Budget statement of the Chancellor of the Exchequer on the 19th April, 1920,* dealing with the subject of Double Income Tax, together with the Financial Statement† laid before the House of Commons on the same day, which contains (page 12) a summary of the proposed scheme of relief.

I have, &c.,

MILNER.

46300

No. 77.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.)

Dominions No. 427.)

[SIR.] [MY LORD DUKE.]

Downing Street, 4th October, 1920.

WITH reference to my despatch Dominions No. 180 of the 30th of April,‡ I have the honour to transmit to [Your Excellency.] [you,] for the information of your Ministers, copies of the Finance Act, 1920 [10 and 11 Geo. 5, Ch. 18.].

2. It will be observed that section 27 deals with the question of double income tax.

I have, &c.,

MILNER.

SECRETARIAT NOTE (REGARDING CORRESPONDENCE NOT PRINTED).

THE Dominion Governments were notified of the appointment of Mr. J. W. Clark as an additional member of the Income Tax Commission, by despatch Dominions No. 404, of 21st May, 1919.

The High Commissioner for Canada informed the Colonial Office on 11th September (53323/19) of the nomination by his Government of Mr. W. L. Griffith to act as Canadian delegate at the Conference.

Copies of minutes of evidence were sent to the Dominions as under:—

First instalment by despatch Dominions No. 569, 21st July, 1919.

Second instalment by despatch Dominions No. 672, 22nd August, 1919.

Third instalment by despatch Dominions No. 743, 18th September, 1919.

Fourth instalment by despatch Dominions No. 832, 21st November, 1919.

Fifth instalment by despatch Dominions No. 895, 31st December, 1919.

Sixth instalment by despatch Dominions No. 48, 31st January, 1920.

Seventh instalment by despatch Dominions No. 68, 18th February, 1920.

Index to seven instalments by despatch Dominions No. 194, 7th May, 1920.

Copies of the report ([Cmd. 615]) were sent out by despatch Dominions No. 114, 24th March, 1920.

* Parliamentary Debates, House of Commons, Vol. 128, No. 43, pages 94-95. † H.C. 70, Financial Statement, 1920-21. ‡ No. 76.

54711

No. 78.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 1.5 p.m., 16th November, 1920.)

TELEGRAM.

[Answered by Nos. 79, 80, 81 and 82.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

16TH NOVEMBER. With reference to Resolution XV, Imperial War Conference, 1917; Government of India are considering measures to be taken by them in pursuance of proposals made by Royal Commission on Income Tax for relief of double taxation within Empire, and have inquired whether Dominion Governments are taking action to same end, and, if so, in what form and to what extent they propose to grant concessions. Secretary of State for India asks that outline of any scheme existing or in contemplation may be telegraphed.

As regards action United Kingdom, see my despatch of 4th October, Dominions No. 427.*—MILNER.

57776

No. 79.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 7.45 a.m., 24th November, 1920.)

TELEGRAM.

24TH NOVEMBER. Your telegram, 16th November.† Parliament of New Zealand enacted in 1916 by section 92 of the Land and Income Tax Act, 1916, that income derived by a person resident in New Zealand from the United Kingdom or any British Dominions, and subject to income tax there, should not be again liable to income tax in New Zealand. No further action in this direction is contemplated.—JELlicoe.

59754

No. 80.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 6th December, 1920.)

(No. 215.)

MY LORD,

Government House, St. John's, 26th November, 1920.

I HAVE the honour to acknowledge the receipt of your telegram of the 16th instant,‡ on the subject of an inquiry by the Government of India regarding the action taken by the Governments of His Majesty's self-governing Dominions in regard to a proposal made by the Royal Commission on Income Tax for relief of double taxation within Empire, and to inform you that my Ministers desire to let the matter remain over until the return of the Minister of Justice from England, as it is probable that an amendment will have to be made in the local Income Tax Act.

I have, &c.,

C. ALEXANDER HARRIS.

* No. 77. † No. 78.

60475

No. 81.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.50 a.m., 10th December, 1920.)

TELEGRAM.

9TH DECEMBER. Your telegram, 16th November.* United Kingdom proposals for relief double taxation within Empire have been submitted to Royal Commission now inquiring into Commonwealth taxation. Government of Commonwealth of Australia have suspended consideration of question until receipt of Commission's recommendations.—FORSTER.

61506

No. 82.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.30 p.m., 16th December, 1920.)

TELEGRAM.

14TH DECEMBER. Your telegram, 16th November.* Double Income Tax. My Ministers inform me that as Union Income Tax Law does not impose double taxation they do not at present contemplate any measures for relief. Repeated Viceroy.—ARTHUR FREDERICK.

42796

No. 83.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 361.)

[MY LORD,] [SIR,]

Downing Street, 31st August, 1921.

WITH reference to my predecessor's despatch, Dominions No. 427, of the 4th October, 1920,† I have the honour to transmit to [Your Royal Highness,] [Your Excellency,] [you,] for the information of your Ministers, copies of the Finance Act, 1921 (11 and 12 Geo. 5, Ch. 32). It will be observed that section 28 deals with the procedure in connexion with claims for relief in respect of Dominion Income Tax.

I have, &c.,

WINSTON S. CHURCHILL.

48810

No. 84.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.36 a.m., 30th September, 1921.)

TELEGRAM.

[Answered by No. 85.]

(Extract.)

30TH SEPTEMBER. Scheme recommended by Sub-Committee British Royal Commissioners in respect of double income tax will be adopted as far as Commonwealth income tax concerned; relief from State tax left to State Government.—GOVERNOR-GENERAL.

* No. 78.

† No. 77.

50036

No. 85.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 1.40 p.m., 15th October, 1921.)

TELEGRAM.

[Answered by No. 86.]

Your telegram 30th September,* Budget double income tax. Board of Inland Revenue represent United Kingdom law regarding relief in respect of Dominion income tax very complicated, and in view of fact that relief allowable by Dominion depends on relief in United Kingdom, Dominions provisions must necessarily be framed with reference to United Kingdom provisions. As relief based on comparison of rates, desirable that method of determining respective rates for purpose of Dominion relief should accord with United Kingdom method. It will be necessary also, before, or as soon as, Commonwealth provisions operate, to make arrangements as regards certificates of United Kingdom rate of relief to be furnished to tax-payer claiming complementary relief in Commonwealth, also Commonwealth and United Kingdom taxation years corresponding for purposes of relief. Board feel that in intricate matter mutual co-operation from the first would minimize administrative difficulties and friction with tax-payers. Suggested that Board should be supplied in advance with proposed Commonwealth provisions, or if there is representative of Commonwealth Government in this country conversant with question he should discuss with Board in order that liaison should exist from the first. Should be glad to know whether Ministers agree.—SECRETARY OF STATE FOR THE COLONIES.

59559

No. 86.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.12 p.m., 30th November, 1921.)

TELEGRAM.

30TH NOVEMBER. Your telegram 15th October,† Double Income Tax. Government of Commonwealth of Australia considering means whereby relief will be given to persons paying both United Kingdom and Commonwealth taxes.—GOVERNOR-GENERAL.

* No. 84.

† No. 85.

**RESOLUTION XVII.: CONTROL OF IMPORTS AFTER THE WAR
FROM PRESENT ENEMY COUNTRIES.**

The Imperial War Conference consider it desirable, with a view to prevent dumping or any other mode of unfair competition from present enemy countries during the transition period after the War, that the several Governments of the Empire, while reserving to themselves freedom of action in any particular respect, take power to control the importation of goods originating in such countries into the Empire for a period of twelve months after the War.

Secretariat Note.—A Bill to provide for the temporary control of exports and imports (No. 161 of 1918) was introduced in the Canadian House of Commons and read for the first time on 21st March, 1918, but was not proceeded with. No legislation on the subject was passed in Australia, New Zealand, and the Union of South Africa in 1918. Further discussion as to the policy involved took place at the Imperial War Conference, 1918 (see pages 30-31, 45-6, and 53-8, of Dominions No. 69). Ultimately it was decided not to introduce the Imports and Exports (Temporary Control) Bill into the Imperial Parliament.

Copies of the Safeguarding of Industries Act, 1921, were sent to Dominion Governments in despatch Dominions No. 391 of the 13th of September, 1921, and copies of the Safeguarding of Industries (No. 1) Order, 1922, of the 8th of August, 1922, in despatch Dominions No. 311 of the 26th of August, 1922.

RESOLUTION XIX: CONTROL OF ORES AND METALS.

(1) That it is desirable that the exports to foreign countries of important ores and metals (the produce of the British Empire) should be controlled for a period after the War.

(2) That the Conference would welcome appropriate measures for the purpose of freeing the Empire and the Allied Countries from any previous dependence on German-controlled organizations with respect of non-ferrous metals and ores.

(3) That the Governments of the Empire should consider the desirability of imposing restrictions on the acquisition of mineral rights within the Empire by or on behalf of subjects of present enemy States.

(See pages 152-156 of Dominions No. 61.)

Secretariat Note.—The subject was further discussed at the Imperial War Conference, 1918: see discussion on pages 47-60, 62-3, and memorandum on pages 229-231 of [Cd. 9177], discussions on pages 31 and 34 of Dominions No. 69, and Resolution No. II.

For further correspondence see under Resolution II of the 1918 Conference (page 76 of this volume).

RESOLUTION XX.: CONTROL OF MEAT SUPPLIES.

In view of the extent to which the United Kingdom and certain other parts of the Empire are dependent on oversea supplies for meat, and of the desirability of freeing British markets from excessive dependence on foreign organizations which control important sources of supply, this Conference is of opinion that there should be co-operation between the Governments of the Empire to ensure that the Empire should become as far as possible self-sufficing in the matter of meat supplies, and that the Governments concerned should prepare detailed plans with this object.

(See pages 157-159 of *Dominions No. 61.*)

Secretariat Note.—The Conference duly met and appointed a Committee to draw up a detailed scheme. The report of this Committee was considered by the Conference and subsequently considered by the Imperial War Conference, 1918. See discussions on pages 31, etc., of *Dominions No. 69* and *Resolution No. V.*

For further correspondence on the subject see under *Resolution No. V.* of the 1918 Conference. (Page 82 of this volume.)

RESOLUTION XXI.: IMPERIAL PREFERENCE.

The time has arrived when all possible encouragement should be given to the development of Imperial resources, and especially to making the Empire independent of other countries in respect of food supplies, raw materials and essential industries. With these objects in view this Conference expresses itself in favour of:—

- (1) The principle that each part of the Empire, having due regard to the interests of our Allies, shall give specially favourable treatment and facilities to the produce and manufactures of other parts of the Empire.
- (2) Arrangements by which intending emigrants from the United Kingdom may be induced to settle in countries under the British flag.

26704

No. 87.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.	} Dominions No. 381.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 14th May, 1919.

WITH reference to *Resolution XXI.*, passed by the Imperial War Conference, 1917,* on the subject of Imperial Preference, I have the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, the accompanying copies of the debates in the House of Commons on the 30th April and the 1st May, 1919.

2. The first of these debates contains the speech of the Chancellor of the Exchequer introducing the Budget for 1919-20, in which he announced the policy proposed by His Majesty's Government for giving preference to articles at present subject to duty on entry into the United Kingdom, which are the produce, growth, or manufacture of other parts of the British Empire.

I have, &c.,
MILNER.

47381

No. 88.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.	} Dominions No. 691.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE,] [SIR,] [MY LORD,] Downing Street, 29th August, 1919.

WITH reference to my despatch *Dominions No. 381* of the 14th May,† I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the Imperial Finance Act, 1919,‡ together with copies of extracts from the *London Gazette*, of the 8th August,§ containing Orders issued by the Board of Trade in pursuance of section 8 of the Act relative to Imperial Preference.

2. Copies of an extract from *The Board of Trade Journal*, of the 14th August,|| containing notes on the Customs and Excise provisions of the Imperial Finance Act, 1919, are also enclosed, and I may explain that the notice on page 617 of *The Board of Trade Journal* of the 8th May, to which reference is made, merely specified certain revised Customs and Excise duties in respect of beer and spirits.

I have, &c.,
MILNER.

* See above. † No. 87. ‡ 9 and 10 Geo. V., ch. 32. § *London Gazette*, No. 31495 (pp. 10083-4). || *Board of Trade Journal*, No. 1185.

51904

No. 89.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL and GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 751.)

[MY LORD DUKE,] [SIR,] [MY LORD,] Downing Street, 18th September, 1919.

WITH reference to my despatch Dominions No. 691 of 29th August,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copies of extracts from *The Board of Trade Journal* of the 28th August and 4th September,† relative to Imperial Preference.

I have, &c.,

MILNER.

56362

No. 90.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL and GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 761.)

[MY LORD DUKE,] [SIR,] [MY LORD,] Downing Street, 29th September, 1919.

WITH reference to my despatch Dominions No. 691 of 29th August,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of two House of Commons Papers, No. 164 and No. 165, relative to Imperial Preference.

I have, &c.,

MILNER.

42379

No. 91.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL and GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 379.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 3rd September, 1920.

I HAVE the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the Finance Act, 1920 (10 and 11 Geo. V, Chap. 18.).

I have, &c.,

MILNER.

* No. 88.

† *Board of Trade Journal*, No. 1187 (pp. 281-4) and No. 1188 (pp. 312-3).

45961

No. 92.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL and GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 403.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 20th September, 1920.

WITH reference to my despatches Dominions No. 691 of the 29th August, 1919, and No. 751 of the 18th September, 1919,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of a notice† issued by the Board of Customs and Excise with regard to Imperial Preference.

I have, &c.,

MILNER.

Secretariat Note.—In 1921 the following despatches were sent to the Dominion Governments :—

Dominions No. 258, of 30th June,‡ forwarding extract from *London Gazette*, of 17th June, with regulations amending those forwarded to the Dominion Governments on 47381/19.§

Dominions No. 341, of 24th August,|| forwarding copies of Finance Act, 1921 [11 and 12 Geo. 5, ch. 32].

* Nos. 88 and 89.

† Notice No. 27a, dated 23rd August, 1920.

‡ 30678.

§ No. 88.

|| 41066.

RESOLUTION XXII.: RECIPROCITY OF TREATMENT BETWEEN INDIA AND THE SELF-GOVERNING DOMINIONS.

That the Imperial War Conference, having examined the Memorandum on the position of Indians in the Self-governing Dominions presented by the Indian representatives to the Conference, accepts the principle of reciprocity of treatment between India and the Dominions and recommends the Memorandum to the favourable consideration of the Governments concerned.

Secretariat Note.—See Note on page 200 of this volume.

RESOLUTION XXIV.: TEMPTATIONS OF OVERSEA SOLDIERS.

That the attention of the authorities concerned be called to the temptations to which our soldiers when on leave are subjected and that such authorities be empowered by legislation or otherwise (1) to protect our men by having the streets, the neighbourhood of camps, and other places of public resort, kept clear, so far as practicable, of women of the prostitute class, and (2) to take any other steps that may be necessary to remedy the serious evil that exists.

Secretariat Note.—The correspondence arising out of this Resolution is printed with other correspondence as to Naval and Military Defence in Dominions No. 72.

III.

CORRESPONDENCE ARISING OUT OF THE RESOLUTIONS OF THE
IMPERIAL WAR CONFERENCE, 1918.

RESOLUTION I.: IMPERIAL WAR GRAVES COMMISSION.

The Conference desires to place on record its appreciation of the labours of the Imperial War Graves Commission and is in favour of the cost of carrying out the decisions of the Commission being borne by the respective Governments in proportion to the numbers of the graves of their dead.

(See pages 170-171 of *Dominions No. 61*, and page 51 of this volume.)

41644

No. 93.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND
GOVERNOR.

(Canada.	} Dominions No. 360.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD.] [SIR,]

Downing Street, 31st August, 1921.

WITH reference to Mr. (now Viscount) Long's despatch, *Dominions No. 321*, of the 28th May, 1917,* I have the honour to transmit to [Your Excellency.] [you,] for the information of your Ministers, copies of an Order in Council† of the 10th August approving the draft of a Supplemental Charter to be granted to The Imperial War Graves Commission.

2. A copy of the draft Supplemental Charter is annexed to the Order in Council.

I have, &c.,
WINSTON S. CHURCHILL.

43932

No. 94.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2nd September, 1921.)

(No. 251.)

SIR,

Governor-General's Office, Melbourne, 11th July, 1921.

WITH reference to the question of the maintenance and care of the graves of prisoners of war and interned civilians who were buried within the limits of Australia, I have the honour, at the instance of my Acting Prime Minister, to forward the attached complete list‡ of those who have died, together with all information useful for their identification, which has been prepared in accordance with the provisions of Article 226 of the Treaty of Peace with Germany.

It will be observed that in every case where the body has been recovered, the deceased prisoner of war or interned civilian, with the exception of burials at Trial Bay, has been interred in a recognized cemetery, and as the cemetery authorities are responsible for the general upkeep of their respective cemeteries, it is considered by the Commonwealth Government that the requirements of the Peace Treaty with respect to the care and maintenance of the graves are being sufficiently met. I shall be glad to be enabled to inform my Ministers whether this view is concurred in by His Majesty's Government.

As regards the graves at Trial Bay, proposals for their suitable maintenance are at present being considered.

* No. 164 in *Dominions No. 61*.

† Not printed here.

‡ Not printed.

There are in the schedules forwarded herewith four names of prisoners of war and interned civilians other than of German nationality, viz. :—

Three Austrians, *vide* pages 1 and 6 of the schedule in respect of the 2nd Military District (New South Wales), and one Turk, *vide* page 14 of the same schedule.

I have, &c.,

FORSTER.

Governor-General.

Secretariat Note.—This despatch was replied to by Colonial Office despatch No. 135 of 24th March, 1922 (11843/22)—see *Dominions No. 83*.

Secretariat Note.—Copies of Cmd. 1706 (Agreement between British and Italian Governments respecting graves of British soldiers in Italy) was sent to Dominion Governments in despatch *Dominions No. 235* of 13th July, 1922.

RESOLUTION II.: NON-FERROUS METAL INDUSTRY.

In pursuance of the policy of freeing the Empire from dependence on German-controlled organizations in respect of non-ferrous metals and ores, the Conference endorses the principle of the Non-Ferrous Metal Industry Act of the United Kingdom and recommends the Governments of the Empire to adopt effective measures, in so far as these may be necessary and have not already been taken, to carry out this policy.

(See page 172 of *Dominions No. 61* and page 67 of this volume.)

42144

No. 95.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 18th July, 1919.)

(No. 85.)

MY LORD,

Wellington, 23rd May, 1919.

I HAVE the honour to inform Your Lordship that I duly invited the attention of my Ministers to your predecessor's despatch *Dominions No. 622*, of the 31st October last,* relative to the resolution passed at the Imperial War Conference, 1918, endorsing the principle of the Non-Ferrous Metal Industry Act of the United Kingdom.

2. My Ministers have now advised me to reply that the Government of New Zealand are in sympathy with the resolution, and that they will adopt measures accordingly, so far as the circumstances of this Dominion render action necessary.

I have, &c.,

LIVERPOOL,

Governor-General.

40799

No. 96.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada,

(Commonwealth of Australia,

(New Zealand,

(Union of South Africa,

(Newfoundland,

} *Dominions No. 613.*)

[MY LORD DUKE,] [MY LORD,] [SIR,]

Downing Street, 1st August, 1919.

WITH reference to my predecessor's despatch *Dominions No. 163*, of the 16th of March, 1918,† regarding legislation to be introduced in India similar to the Non-Ferrous Metal Industry Act, 1918,‡ of the Imperial Parliament, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the India Act No. XVII. of 1918.

I have, &c.,

MILNER.

RESOLUTION III.:—CONTROL OF RAW MATERIALS.

(1) The Conference agrees that it is necessary to secure for the British Empire and the belligerent Allies the command of certain essential raw materials in order to enable them to repair the effects of the War as soon as possible and to safeguard their industrial requirements.

(2) The Conference is of opinion that the Governments of the British Empire should make such arrangements amongst themselves as will ensure that essential raw materials produced within the Empire shall be available for the above purposes, and should arrange with the Allied Countries to utilize for the same purposes essential raw materials produced in those countries.

(3) Amongst the raw materials which should be considered for the purpose of this policy, the Conference recommends the following:—

Asbestos.	Lead and its ores.
Cotton.	Manganese ores.
Jute.	Nickel, refined and matte.
Wool.	Spelter and zinc concentrates.
Hides and skins.	Tin and its ores.
Leather.	Tungsten ores.
Rubber.	Mica.
Oleaginous products.	Molybdenum.
Petroleum.	Steam coal.
Copper.	

RESOLUTION IV.:—CONTROL OF RAW MATERIALS.

That this Conference has considered the provisions of the Imports and Exports (Temporary Control) Bill now before the Imperial Parliament, and is of opinion that, whilst the circumstances of the different parts of the Empire differ widely as regards the extent to which it may prove desirable to pass similar legislation, the respective Governments should nevertheless take such action as may be deemed expedient to enable the objects of Resolution III. to be fully carried out.

To assist the Governments in determining their action in this respect, the Conference recommends:—

(1) that a Committee of its members should first consider the possible methods in each part of the Empire of obtaining command of each of the essential Raw Materials specified in Resolution III. (3).

(2) that the Governments represented at the Conference should, in the light of the information collected by their representatives on this Committee, consult with the representatives of the producers and trades concerned as to the method of obtaining command best suited to each individual commodity.

RESOLUTION XXIII.: CONTROL OF RAW MATERIALS.

(1) The Conference, having considered the Report of the Committee on Raw Materials, requests His Majesty's Government to communicate this Report forthwith to the Governments of the Dominions and India and to ascertain their views on the appropriate action to be taken.

(2) The Conference further agrees that steps should be taken to ascertain the needs and the resources of the Allies in respect of the raw materials specified in the Report.

(3) The Conference considers that the figures given in the Report as to the raw material requirements of the Empire might with advantage be used by the British Delegates at any forthcoming Inter-Allied Conference, subject to any corrections that may be made necessary by later and fuller information.

(See pages 173-184 of *Dominions No. 61.*)

* No. 255 in *Dominions No. 61.*† No. 229 in *Dominions No. 61.*

‡ 7 and 8 Geo. V., ch. 67.

59190

No. 97.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

{ Union of South Africa.
{ Newfoundland.
{ New Zealand.
{ Commonwealth of Australia.
{ Canada.

Dominions No. 25. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 11th January, 1919.

WITH reference to my despatch Dominions No. 455, Confidential, of the 21st August,* I have the honour to request [Your Excellency] [you] to inform your Ministers of the action taken by His Majesty's Government towards carrying out Resolutions III., IV., and XXIII. of the Imperial War Conference, 1918, on the subject of the control of raw materials.

2. In October last it was decided to appoint a Raw Materials Board, under my chairmanship, to consider with the Departments directly concerned with the supply during the War of each of the raw materials referred to in the resolutions of the Imperial War Conference what action was necessary in order to provide that the necessary supplies should in fact be available for the United Kingdom after the War, and to arrange for such administrative action, beyond what had already taken place, as was necessary to secure such supplies. It was thought that the existence of such a Board would not only enable His Majesty's Government to deal effectively with the current problems affecting the supply of raw materials to the United Kingdom, but would also later on be of great assistance in any arrangements for the post-War allocation of raw materials amongst the Allies.

3. The Raw Materials Board since its appointment has been actively at work, and has considered *seriatim* the various raw materials dealt with by the Imperial War Conference. On investigation it appeared that, in certain cases, supplies were fully assured, or that all possible steps to secure them were already being taken. Consequently, no immediate action on the part of the Board was needed. The materials falling within this category were: *Petroleum* (as to which I would invite reference to my despatch Dominions No. 653, Confidential, of the 15th November†), *Nickel* (refined and matte), *Tungsten Ores*, *Molybdenum*, *Coal*, *Aluminium Ores*.

4. With regard to other of the raw materials, the action taken by the Board may be summarized as follows:—

Asbestos.—The Board asked the Admiralty, who are at present responsible for the control of asbestos imported into the United Kingdom:—

(a) to induce the Asbestos Pool Board (which is referred to in the report of the Committee on Raw Materials of the Imperial War Conference, 1918‡) to increase the stocks in this country so as to ensure supplies for four to six months ahead;

(b) after this step had been taken, to advise the members of the Pool Board to proceed at once with their own arrangements for covering their further post-War requirements by private purchases.

The Board further requested the Shipping Controller to grant the necessary facilities to the Asbestos Pool Board for increasing stocks in this country in accordance with the Board's wishes.

Cotton.—The Board endorsed certain proposals of the Board of Trade for continuing, in case of necessity, the present control of the Egyptian cotton crop; and also approved a recommendation that special facilities should be given in this country for delivering the machinery required for further development of the Northern Delta cotton area.

Jute.—The Board approved in principle a scheme which had been agreed upon between the Secretary of State for India and the Government of India for the rationing of the exportable surplus of Indian jute, subject to further consideration of the question by the authority to be charged with rationing the several countries which would participate in the exportable surplus. The Board also

* No. 257 in Dominions No. 61.

† No. 300 in Dominions No. 61.

‡ See page 224 of Dominions No. 60.

agreed that the arrangements for distributing the jute reserved for consumers in the United Kingdom should be made by the appropriate trade organization under the supervision of the Board of Trade.

Wool.—The Board resolved that, having regard to the purchases already effected by the War Office Raw Materials Department in Australia and New Zealand, and the negotiations then proceeding with regard to the purchase of South African wool, the position as to wool was, generally speaking, satisfactory and called for no action on their part; but they directed that certain points arising as to the control of prices of East Indian wool, and the purchase of the Falkland Islands clip, should be satisfactorily settled by the War Office with the India Office and the Colonial Office respectively.

Hides, Skins, and Leather.—The Board resolved:—

(1) That the War Office Raw Materials Department should approach the Treasury and ask sanction for continuing the importations of hides, tanning materials, and leather, on the basis of the present approved programme, until the United Kingdom requirements for at least the next six months were covered.

(2) That the War Office Raw Materials Department should, without delay, settle their policy in regard to the purchase and sale of East Indian hides, in consultation with the India Office.

Rubber.—The Board resolved that in any future arrangements for the control of exportation of rubber from the Straits Settlements, it would be desirable that the Governor should be instructed that a definite proportion of the exports in each month should be for ports in the United Kingdom, both to secure an adequate supply of rubber for this country and to assist in keeping the market for rubber in London.

Copper.—The Board has requested the Ministry of Munitions to consider with the Ministry of Reconstruction and the Board of Trade the possibility of obtaining the necessary capital to establish a large refinery in the United Kingdom, this refinery to be more particularly concerned with the treatment of ores of Empire origin. The Board has also been consulted with regard to the negotiations proceeding for the purchase by His Majesty's Government of the exportable surplus of Australian copper for a term of years.

Lead and its Ores.—The Board resolved that the Ministry of Munitions should dispose of its surplus stocks of lead for civilian consumption in the United Kingdom; and that the prohibition of the exportation of lead should be continued for the present. The Board was consulted with regard to the current negotiations for the purchase by His Majesty's Government of the exportable surplus of Australian lead for a term of years.

Spelter and Zinc Concentrates.—The Board approved an importation programme presented by the Board of Trade intended to cover the requirements of the British smelting industry. They also approved the proposals of the Board of Trade as regards the supply to the Belgian industry of a portion of the zinc concentrates from Australia which have been purchased by His Majesty's Government. These proposals included one that the supply of zinc concentrates to the Belgian industry should be contingent on the elimination of German control.

Tin and its Ores.—The Board resolved:—

(1) That the existing control of the exports of tin and tin ore from the Straits Settlements and Hong Kong should be continued for a time.

(2) That the prohibition of the export of tin and tin ore from the United Kingdom should also be continued temporarily.

(3) That the powers vested in the Rubber and Tin Exports Committee should be continued temporarily, so far as tin is concerned.

Mica.—The Board approved the following recommendations presented by the Ministry of Munitions:—

(1) That the Mica Control Order of April, 1918, should remain in force for the present.

(2) That the Government of India should put into force certain proposals drafted by the Ministry of Munitions in conjunction with an official of the Government of India for the development of Indian mica supplies.

(3) That licences to export from Calcutta to ports other than London should only be given for a certain amount of splittings and inferior block.

5. The Board has still under consideration the question of *Oleaginous products and Manganese*.

6. The Board has also considered the question of *Timber Supplies*.

The Timber Controller submitted a scheme which had been drawn up in agreement with the Shipping Controller and with the Treasury for the purchase from various sources both of soft timber and hard woods for the industrial requirements of the United Kingdom in the reconstruction period. The Board agreed to the principle of centralized purchase for timber and approved the scheme submitted by the Timber Controller; they further decided that the Canadian Government should be consulted as regards the financing of purchases in the Dominion of Canada, and this decision was duly carried out. The Government of Canada replied by offering to finance purchases up to a fixed limit upon condition that the Dominion Government should not be drawn upon by the Treasury of the United Kingdom except in the event of exchange being unfavourable to the United Kingdom at the times when payments should fall due.

7. The Board also proposes to take up the question of supplies of *Phosphate Rock*.

8. The Board has asked the Board of Trade and the Ministry of Munitions to arrange for the issue of a Hoarding Order (with a schedule of non-ferrous metals to which it applies) to prevent metal being withheld from the market with the object of forcing up prices.

9. The Board, in considering the question of the removal of restrictions on the exportation or importation of raw materials, agreed that, in principle, it was desirable that relaxation should first be accorded to goods going to, or coming from, places within the Empire, unless circumstances should permit of a more general relaxation forthwith.

I have, &c.,

WALTER H. LONG.

54941

No. 98.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 22nd September, 1919.)

(Confidential.)

MY LORD,

Government House, Wellington, 23rd July, 1919.

I HAVE the honour to express my regret that I have been unable, as yet, to communicate to Your Lordship the views of my Ministers on the questions raised in your predecessor's Confidential despatch Dominions No. 455, of the 21st August, 1918,* on the subject of the control of raw materials after the War.

2. In view of the very important nature of the proposals, and the absence from the Dominion of the Prime Minister and the Minister of Finance (who represented New Zealand at the Imperial War Conference), it is felt that action in regard to this matter should be deferred until their return to the Dominion. Cabinet will then have the advantage of hearing the opinion of its representatives at the Conference, and will be in a better position to decide on the most appropriate action to be taken.

3. The same comment applies in the case of Mr. Long's Confidential despatch Dominions No. 697, of the 6th December, 1918,† relative to the control of oleaginous produce after the War.

I have, &c.,

LIVERPOOL,
Governor-General.

* No. 257 in Dominions No. 61.
† 56380; this despatch forwarded to the Dominion Governments a memorandum on the control of oleaginous produce prepared in Colonial Office (Miscellaneous No. 339, Confidential).

59214

No. 99.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

} Dominions No. 817. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 8th November, 1919.

I HAVE the honour to request [Your Excellency] [you] to inform your Ministers that, since the date of my predecessor's despatch Dominions No. 25, Confidential, of the 11th January, 1919,* regarding the work of the Raw Materials Board, other bodies, particularly the Supreme Economic Council in Paris, have been set up and are dealing with the wider aspects of the question of the control of raw materials which it was contemplated should be referred to the Raw Materials Board when the Board had dealt with the question of the supply of essential raw materials for the United Kingdom.

2. In these circumstances His Majesty's Government have now decided to dissolve the Raw Materials Board, since it has already dealt with the work for which it was primarily appointed, and it is desirable to avoid the multiplication of overlapping boards and committees.

3. As regards the work of the Board I have nothing to add to my predecessor's despatch except that, as a result of further examination of the problems involved, it was found practicable to leave the question of the supply of oleaginous produce, manganese, and phosphate rock, referred to in paragraphs 5 and 7, to be dealt with by the departments concerned.

4. It will be remembered that the principle of first according relaxation from import restrictions to goods reaching the United Kingdom from other parts of the Empire was duly accepted by His Majesty's Government and carried into effect.

I have, &c.,

MILNER.

; No. 97.

RESOLUTION V: IMPERIAL MEAT SUPPLIES.

The Conference welcomes co-operation among the Governments of the Empire to ensure that the Empire shall become as far as possible self-sufficing in the matter of meat supplies, and recommends the examination by the Governments concerned of the recommendations of the Committee upon Imperial Meat Resources, and the adoption of such legislative and administrative measures as are required for such development within the Empire as will secure this object.

(See pages 185-189 of *Dominions No. 61* and page 68 of this volume.)

71412

No. 100.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada. No. 24.)
(Commonwealth of Australia. No. 9.)
(New Zealand. No. 5.)
(Union of South Africa. No. 10.)
(Newfoundland. No. 4.)

[SIR,] [MY LORD,] [MY LORD DUKE,] Downing Street, 7th January, 1920.

I HAVE the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of a Parliamentary Paper [Cmd. 456], containing the Report of the Committee appointed by the Board of Trade to consider the means of securing sufficient meat supplies for the United Kingdom.

2. The Committee was appointed as a result of Resolution No. V* passed by the Imperial War Conference, 1918, [*not to Newfoundland*; and the arrangements for the evidence given by representatives of the Dominion Governments were made after consultation with the Prime Ministers whilst they were in this country].

I have, &c.,

for the Secretary of State,
L. S. AMERY.

Secretariat Note.—Copies of Cmd. 1057 and Cmd. 1356 (Interim and Final Reports on Meat prepared by Sub-Committee appointed by Standing Committee on Trusts under Profiteering Acts, 1919 and 1920) were sent to Dominion Governments in despatch *Dominions No. 266* of 5th July, 1921.

Correspondence took place in 1921 and 1922 with the Commonwealth of Australia as to measures to assist Australian meat producers, but His Majesty's Government were unable to take action which would have involved a licensing scheme and re-establishment of State control (see 21526/22). The "Meat Bounties Act, 1922," was subsequently enacted by the Commonwealth Government.

* See above.

RESOLUTION VI: ENEMY DEBTS.

The Conference having had under consideration the Report of the Enemy Debts Committee, dated 23rd January, 1918, and a secret memorandum* dealing with returns made in regard to debts and property, expresses general approval of the principles recommended by the Enemy Debts Committee in their Report, dated 23rd January, 1918, for the settlement of pre-War debts by Government intervention by means of a clearing scheme, and agrees that in the event of these principles being accepted by the Governments of the Allied Powers, the Governments of the Dominions should appoint delegates to confer in this country with representatives to be appointed by His Majesty's Government as to:—

(a) Legislation necessary to give effect to the recommendations of the Committee in the event of the same being adopted in whole or in part by arrangements with the enemy Governments made in the Treaty of Peace.

(b) Questions on which recommendations have been made by the Enemy Debts Committee which will require legislative action in any event.

Secretariat Note.—See note on page 190 of *Dominions No. 61*.

* The Memorandum and Report are printed on pages 291-337 of *Dominions No. 60*.

RESOLUTION VII.: IMPERIAL BUREAU OF MYCOLOGY.

It is agreed that it is desirable to establish an Imperial Bureau of Mycology for the purpose of supplementing the work of the Imperial Bureau of Entomology, and to obtain the necessary funds for its maintenance by suitable contributions from the Imperial Government, the Governments of the Dominions and India, and of the other Oversea Possessions, as suggested in the Memorandum laid before the Conference.

(See page 191 of *Dominions No. 61*.)

(The Memorandum laid before the Conference and the proceedings relating to it will be found on pp. 231-2 and 69-71 of [Cd. 9177].)

5932

No. 101.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 23th January, 1919.)

(No. 21.)

SIR, Government House, Ottawa, 8th January, 1919.
WITH reference to your despatch No. 478, of the 14th November,* regarding a scheme for the establishment of an Imperial Bureau of Mycology, I have the honour to transmit, herewith, copies of an approved minute of the Privy Council for Canada, authorizing the grant for three years of £250 a year towards the Bureau. The question of the selection of a Canadian representative to act on the Committee is still under consideration.

I have, &c.,
DEVONSHIRE.

Enclosure in No. 101.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 6TH JANUARY, 1919.

(P.C. 22.)

THE Committee of the Privy Council have had before them a report, dated 31st December, 1918, from the Acting Secretary of State for External Affairs, stating that he has had under consideration a despatch from the Right Honourable the Secretary of State for the Colonies to Your Excellency, dated 14th November, 1918, relative to a scheme for the establishment of an Imperial Bureau of Mycology, the funds for the maintenance of which it is proposed should be contributed by His Majesty's Government, the Governments of the Dominions and India, and of the other overseas possessions. In accordance with a resolution on the subject adopted by the Imperial War Conference on the 8th July, 1918, the proposed contribution from Canada is to be two hundred and fifty pounds a year for a period of three years.

The Minister is of opinion that the organization of such a Bureau as is contemplated cannot but be of value to the Empire and the Dominion. He, therefore, with the concurrence of the Minister of Agriculture, recommends that a grant for three years of two hundred and fifty pounds a year towards the Bureau of Mycology be paid, in due course, to the Crown Agents for the Colonies, the first payment to be made on the receipt by the Department of Agriculture of notification that the Bureau has been established and organized along the lines indicated in the resolution above referred to and the memorandum laid before the Imperial War Conference.

The Minister further submits that the question of the selection of a Canadian representative to act on the Committee of the Imperial Bureau of Mycology is still under consideration.

* No. 267 in *Dominions No. 61*.

The Committee, on the recommendation of the Acting Secretary of State for External Affairs, advise that Your Excellency be pleased to cause a copy hereof to be forwarded to the Right Honourable the Secretary of State for the Colonies, for the information of His Majesty's Government.

All of which is respectfully submitted for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

22609

No. 102.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 14th April, 1919.)

(No. 13.)

MY LORD, Government House, Wellington, 30th January, 1919.
WITH reference to your predecessor's despatch No. 209, of the 14th November, 1918,* with regard to the establishment of an Imperial Bureau of Mycology for the purpose of supplementing the work of the Imperial Bureau of Entomology, I have the honour to inform Your Lordship that the Government of New Zealand fully appreciate the importance of the proposal, and arrangements will be made for the contribution from New Zealand—viz., £100—to be paid in due course to the Crown Agents for the Colonies, and for similar payments to be made during the two succeeding years.

I have, &c.,
LIVERPOOL,
Governor-General.

24985

No. 103.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 25th April, 1919.)

(No. 199.)

MY LORD, Governor-General's Office,
Cape Town, 24th March, 1919.
I HAVE the honour to transmit to you herewith, with reference to Mr. Long's despatch No. 501, of the 14th November, 1918,* copy of a minute from Ministers, dated 20th March, 1919, on the subject of the establishment of an Imperial Bureau of Mycology.

I have, &c.,
BUXTON,
Governor-General.

Enclosure in No. 103.

MINUTE No. 427.

Prime Minister's Office, Cape Town, 20th March, 1919.

WITH reference to His Excellency the Governor-General's minute, No. 33/1065, dated the 21st December last, transmitting a copy of despatch No. 501, dated the 14th November, 1918, from the Secretary of State for the Colonies, on the subject of the establishment of an Imperial Bureau of Mycology, Ministers have the honour to inform His Excellency that they concur in the proposal that the Union of South Africa should contribute a sum of £150 per annum for a period of three years towards the upkeep of the proposed Bureau, and provision on the Estimates of expenditure for the financial year 1919-20 will be made accordingly.

F. S. MALAN.

* No. 267 in *Dominions No. 61*.

44789

No. 104.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.	} Dominions No. 611.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE.] [MY LORD.] [SIR,] Downing Street, 1st August, 1919.

WITH reference to my predecessor's despatch No. [478.] [416.] [209.] [501.] [125.] of the 14th November, 1918,* regarding the establishment of an Imperial Bureau of Mycology, I have the honour to request [Your Excellency] [you] to inform your Ministers that the following gentlemen have now been appointed as scientific members of the Committee of the Bureau:—

Professor I. Bayley Balfour, M.D., D.D.Sc., LL.D., M.A., F.R.S., King's Botanist in Scotland, Regius Keeper of Royal Botanical Garden, Edinburgh, Professor of Botany, Edinburgh University.

W. Bateson, Esq., M.A., F.R.S., Honorary D.Sc., Sheffield, Director John Innes Horticultural Institution, Merton Park, Surrey.

Professor V. H. Blackman, F.R.S., Sc.D., Professor of Plant Physiology and Pathology, Imperial College of Science and Technology, London.

Professor F. O. Bowen, Sc.D., F.R.S., Regius Professor of Botany, University of Glasgow.

A. D. Cotton, Esq., F.L.S., Board of Agriculture and Fisheries.

Professor J. B. Farmer, D.Sc., M.A., F.R.S., Professor of Botany, Imperial College of Science and Technology, London.

A. W. Hill, Esq., F.L.S., Assistant Director, Royal Botanical Gardens, Kew.

Professor W. H. Lang, F.R.S., M.B., D.Sc., Barker Professor of Cryptogamic Botany, University of Manchester.

Sir Daniel Morris, K.C.M.G., D.C.L., F.L.S., etc., Vice-President Royal Horticultural Society and Royal Colonial Institute, etc.; address: 14, Crabton Close, Bournemouth.

Sir David Prain, C.M.G., C.I.E., F.R.S., Director Royal Botanical Gardens, Kew.

A. B. Rendle, Esq., F.R.S., F.L.S., Keeper Department of Botany, British Museum.

H. N. Ridley, Esq., C.M.G., F.R.S., ex-Director of Gardens and Forests, Straits Settlements; address: 7, Cumberland Road, Kew.

R. A. Robertson, Esq., F.R.S.E., Reader in Botany, St. Andrew's University.

A. E. Shipley, Esq., F.R.S., F.L.S., Vice-Chancellor of Cambridge University, Master of Christ's College, Cambridge.

Professor W. Somerville, F.L.S., R.R.S.E., F.S.S., Sibthorpe Professor of Rural Economy and Fellow of St. John's College, Oxford.

Professor J. W. H. Trail, F.L.S., F.R.S., Regius Professor of Botany, University of Aberdeen.

Professor S. H. Vines, F.R.S., Sherardian Professor of Botany, Oxford University, and Fellow of Magdalen College, Oxford.

H. W. T. Wager, Esq., F.R.S., Honorary Acting Professor of Botany, University of Leeds.

Professor G. S. West, F.L.S., Mason Professor of Botany, Birmingham University.

Professor H. H. Dixon, F.R.S., Professor of Botany, University of Dublin.

G. H. Pethybridge, Esq., B.Sc., Department of Agriculture, Ireland.

2. As regards the question of representation of the Self-governing Dominions on the Committee, it will be appreciated that, with a view to ensuring its efficient working, it is not desirable to add unduly to the number of members. It is accordingly suggested that the most convenient plan might be for each of the Dominion Governments to invite one of the existing scientific members of the Committee to represent that Dominion, and, in addition, that the Government

* No. 267 in Dominions No. 61.

Mycologist of the Dominion (if one has been appointed) or some officer performing similar duties, should be nominated as an *ex officio* member of the Committee. It will be recollected that a somewhat similar plan was adopted in the case of the Imperial Bureau of Entomology.

3. I should be glad to learn whether this suggestion commends itself to your Government, and, if so, which of the members of the Committee they would wish to represent them.

I have, &c.,
MILNER.

The more important correspondence arising from Lord Milner's despatch of the 1st August, 1919 (44789/19 printed as No. 104 above), may be conveniently summarized under the following heads:—

(a) *Representation of the self-governing Dominions on the Committee.*

Existing scientific members of the Committee of the Bureau were nominated by the Dominion Governments as their representatives as follows:—

Canada (68702/19):—Professor Vernon H. Blackman, F.R.S., Sc.D.

Commonwealth of Australia (26843/20):—Professor Vernon H. Blackman, F.R.S., Sc.D.

New Zealand (285/19/20):—Sir David Prain, C.M.G., C.I.E., F.R.S.

Union of South Africa (65036/19):—Sir David Prain, C.M.G., C.I.E., F.R.S.

The Government of Newfoundland (16017/20) did not desire to be represented, but it was suggested that reference might be made to the High Commissioner for Newfoundland in London, in any case where the assistance of the Newfoundland Government might be desired by the Bureau.

(b) *Dominion ex-officio members of the Committee.*

Ex-officio members of the Committee were nominated by the Dominion Governments as follows:—

Canada (68702/19):—The Dominion Botanist, Central Experimental Farm, Ottawa.

Commonwealth of Australia (26843/20):—Ewen Mackinnon, Esq., B.A., B.Sc., Science Abstractor, Commonwealth Institute of Science and Industry.

New Zealand (285/19/20):—A. H. Cockayne, Esq., Biologist of the Department of Agriculture, Industries and Commerce.

Union of South Africa (65036/19):—Dr. I. B. Pole Evans, M.A., D.Sc., F.L.S., Chief of Division of Botany and Plant Pathology.

Newfoundland:—See under (a) above.

(c) *Funds of the Bureau.*

A despatch (62057/20) was addressed to the Governments of the Dominions on the 20th December, 1920, notifying them that the services of Mr. E. J. Butler, M.B., F.L.S., Imperial Mycologist to the Government of India, had been lent to the Imperial Bureau, and that Mr. Butler had taken up the duties of Director with effect from the 22nd September, 1920. At the same time it was represented that an income from all sources of not less than £5,000 per annum was required to maintain the Bureau in efficient working order, and to provide for the issue of an abstracting journal. It was pointed out that the original estimate made in the Secretary of State's despatch of the 14th November, 1918 (No. 267 in Doms. No. 61), had been made on a purely provisional and war-time basis, and that the cost of running such an institution in this country had since then greatly increased. The Dominion Governments were asked whether they could see their way to contribute increased amounts as enumerated below, for three years from the 1st January, 1921, provision being made for reconsideration of the matter at the end of that period, in the light of experience gained:—

Canada, £600 per annum.

Commonwealth of Australia, £375 per annum.

New Zealand, £250 per annum.

Union of South Africa, £375 per annum.

The Government of New Zealand agreed (12262/21) to increase their contribution as requested, but replies (26275/21) (7158/21) were received from the Governments of Canada and the Union of South Africa regretting that they could not see their way to increase their contribution. The Government of the Commonwealth of Australia replied (24837/21) that they did not consider that the value of services received by Australia merited an increase of subsidy. The contribution of £150 originally asked for (see No. 267 in Doms. No. 61) was, however, made.

RESOLUTION VIII.: IMPERIAL STATISTICS.

The Imperial War Conference having considered the correspondence as to the improvement of Imperial Statistics arising out of the recommendations of the Dominions Royal Commission, is in favour of the proposal to hold a Conference of Statisticians after the War, and that such Conference consider the establishment of an Imperial Statistical Bureau under the supervision of an Inter-Imperial Committee.

30167

No. 105.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.5 p.m., 19th May, 1919.)

TELEGRAM.

Your despatch 15th November, 1917, Dominions No. 734, and my despatch 27th April, 1918, No. 92.* My Ministers beg me to advise you that it now has been decided that New Zealand shall be represented at the Imperial Conference of Statisticians, and that Mr. Malcolm Fraser, the Government Statistician here, shall be the representative thereat. Please advise me on what date Conference likely to be held.—LIVERPOOL.

39847

No. 106.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 11.50 a.m., 18th July, 1919.)

TELEGRAM.

[Answered by Nos. 107, 108, 109, and 110.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

18TH JULY. Referring to Resolution VIII., Imperial War Conference, 1918, His Majesty's Government will be glad to make arrangements for Imperial Statistical Conference at date generally convenient, and preparations are in hand for circulation of memoranda bearing on work.

Earliest date possible for Conference seems to be November, 1919, but thought that this may be inconvenient owing to pressure of work on principal Statistical Officers in connexion with demobilization and reconstruction work, and if so, one of early months 1920 may be preferred.

Should be glad to know by telegraph what date thought most suitable for Dominions representatives.—MILNER.

43418

No. 107.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.33 a.m., 25th July, 1919.)

TELEGRAM.

Your telegram 18th July,† Statistical Conference. Government of Commonwealth of Australia will be represented by G. H. Knibbs, Commonwealth Statistician, who can attend either November or January. Government of opinion that November will be more convenient, inasmuch extensive preparations have to be made after Conference in connexion with taking census 1921.—FERGUSON.

* See pages 232 and 236 of [Cd. 9177]. † No. 100.

45250

No. 108.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.55 a.m., 5th August, 1919.)

TELEGRAM.

Your telegram 18th July;* it would be more suitable for New Zealand if the Imperial Statistical Conference was arranged for early in 1920, but if November, 1919, is decided on, arrangements will be made for New Zealand representative to be present.—LIVERPOOL.

49115

No. 109.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.45 p.m., 24th August, 1919.)

TELEGRAM.

22ND AUGUST. Your telegram of 18th July,* Imperial Statistical Conference, November, 1919, or early months of 1920 will be equally suitable to Union of South Africa. Representative will be C. W. Cousins, Director of Census and Statistics for Union.—BUXTON.

49995

No. 110.

CANADA.

THE DEPUTY GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 29th August, 1919.)

(No. 634.)

My LORD,

Government House, Ottawa, 13th August, 1919.

With reference to Your Lordship's telegram of the 18th July* regarding the meeting of the Imperial Statistical Conference, I have the honour to transmit herewith copies of an approved minute of the Privy Council agreeing to the suggested date of the Conference, namely, November, 1919, and nominating Mr. R. H. Coats, Dominion Statistician, to represent Canada at the Conference.

I have, &c.,

L. H. DAVIES,
Deputy Governor-General.

Enclosure in No. 110.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY THE DEPUTY GOVERNOR-GENERAL ON THE 7TH AUGUST, 1919.

(P.C. 1662.)

THE Committee of the Privy Council have had before them a report, dated 1st August, 1919, from the Right Honourable the Secretary of State for External Affairs, to whom was referred a telegraphic despatch, dated the 18th July, 1919, from the Right Honourable the Secretary of State for the Colonies, respecting the meeting of the Imperial Statistical Conference.

The Minister submits, with the concurrence of the Minister of Trade and Commerce, that the date suggested, namely, November, 1919, is quite agreeable to the Canadian Government.

The Minister recommends that Mr. R. H. Coats, Dominion Statistician, be appointed to represent Canada at the said Conference.

* No. 106.

The Committee, concurring, advise that Your Excellency may be pleased to forward a copy hereof to the Right Honourable the Secretary of State for the Colonies.

All of which is respectfully submitted for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

56772

No. 111.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 3.45 p.m., 4th October, 1919.)

TELEGRAM.

[Answered by Nos. 112, 113, 114, and 115.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

4TH OCTOBER. Referring to my telegram of 18th July,* Imperial Statistical Conference. 20th January, 1920, now proposed for commencement of meetings, as found impracticable complete arrangements by November.

[To Canada only: Hoped that this date will be equally convenient to representative of Canadian Government.]—MILNER.

58055

No. 112.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 1.6 a.m., 10th October, 1919.)

TELEGRAM.

9TH OCTOBER. Your telegram October 4th,† Imperial Statistical Conference. Date fixed is convenient to Canadian Government.—DEVONSHIRE.

59857

No. 113.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 6.0 a.m., 18th October, 1919.)

TELEGRAM.

18TH OCTOBER. Your telegram 4th October.† Mr. Fraser, Government Statistician, will leave by the "Ascanius" from Sydney via Durban and Cape Town on 29th November, arriving in London about 10th January or 12th January.—LIVERPOOL.

* No. 106.

† No. 111.

60332

No. 114.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 6.40 p.m., 20th October, 1919.)

TELEGRAM.

Your telegram 4th October,* Statistical Conference. Government of Newfoundland quite agreeable as to date. Question of representative(s) will be considered later.—HARRIS.

73975

No. 115.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 6.20 a.m., 31st December, 1919.)

TELEGRAM.

30TH DECEMBER. Your telegram 4th October.* My Ministers represent that R. H. Coats, Dominion Statistician, accompanied by E. H. Godfrey, Dominion Bureau of Statistics, sail by "Metagama," 10th January, to represent Government of Canada at Imperial Statistical Conference.—DEVONSHIRE.

11940

No. 116.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 5th March, 1920.)

(No. 25.)

SIR, Government House, St. John's, 23rd February, 1920.

I HAVE the honour to acknowledge receipt of your telegram of the 30th December last,† asking for the name of the Newfoundland representative at the Imperial Statistical Conference.

2. I have been urging my Ministers to take a decision in this matter, and they are now of opinion that no representative should be sent from Newfoundland, as the matter is not of sufficient importance to justify the expense.

3. It is probable that the High Commissioner will be asked to represent this Colony and keep us in touch with any new method of tabulation which may be adopted.

I have, &c.,

C. ALEXANDER HARRIS.

18127

No. 117.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND
GOVERNOR.

[Answered by Nos. 118, 119, 120, 121, and 123.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand)
(Union of South Africa.)
(Newfoundland.)

Dominions No. 173.)

[MY LORD,] [SIR,]

Downing Street, 26th April, 1920.

WITH reference to my telegram of 18th July, 1919,† and connected correspondence, I have the honour to transmit to [Your Excellency,] [you,] to be laid

* No. 111.

† 63716: not printed.

‡ No. 106.

before your Ministers, copies of a Parliamentary Paper [Cmd. 648] containing the Report of the British Empire Statistical Conference.

2. I should be glad to have an expression of the views of your Ministers on the proposals made by the Conference. His Majesty's Government are giving consideration to the recommendations made, and will communicate their views later.

[To Commonwealth of Australia only: 3. A copy of the report of the Conference has been sent to the Governors of the Australian States.]

I have, &c.,

MILNER.

35166

No. 118.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 17th July, 1920.)

(No. 405.)

MY LORD, Governor-General's Office, Cape Town, 24th June, 1920.

I HAVE the honour to transmit to Your Lordship, herewith, with reference to Your Lordship's despatch Dominions No. 173, of the 26th April, 1920,* minute No. 649, from Ministers, dated 22nd June, 1920, on the subject of the recommendations of the British Empire Statistical Conference.

I have, &c.,

BUXTON,
Governor-General.

Enclosure in No. 118.

(Minute No. 649.)

Prime Minister's Office, 22nd June, 1920.

WITH reference to His Excellency the Governor-General's minute No. 62/1554, of the 20th May, 1920, Ministers have the honour to state that they are in agreement with the recommendations of the British Empire Statistical Conference as set forth in its report in Imperial Parliamentary Paper [Cmd. 648], and will endeavour to give effect to them as occasion permits.

The Union Government is prepared to support financially the establishment of a Central Bureau as recommended by the Conference, and the Union Census and Statistical Department will give what support is possible to the Bureau in such direction as may be found desirable.

Ministers desire to state that they are in accord with the view expressed by the Conference that the co-ordination of statistics, which was the key-note of its proceedings, should prove of great value in promoting an effective system of civil intelligence to the mutual advantage of all sections of the Empire.

J. C. SMUTS.

45700

No. 119.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 14th September, 1920.)

(No. 537.)

MY LORD, Government House, Ottawa, 31st August, 1920.

I HAVE the honour to transmit, herewith, copies of an approved minute of the Privy Council for Canada regarding the proposed establishment in London of a Bureau of Statistics for the British Empire.

I have, &c.,

DEVONSHIRE.

* No. 117.

Enclosure in No. 119.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL, ON THE 25TH AUGUST, 1920.

(P.C. 1732.)

THE Committee of the Privy Council have had before them a report, dated 13th July, 1920, from the Minister of Trade and Commerce, submitting that he has had before him the report and resolutions adopted by the Conference of Government Officers engaged in dealing with statistics in the British Empire, held at the Board of Trade, London, 20th January-26th February, 1920.

The report recommends the establishment in London at the earliest possible moment of a Bureau of Statistics for the British Empire, adequately equipped and staffed, for the purpose of obtaining, collating, and publishing statistics which bear upon the conditions and resources of the Empire, the common interests of its members and their relations with the rest of the world. It is proposed that the Bureau shall be under the control of a Council, to be incorporated by Royal Charter, consisting of members nominated in due proportions by the several Governments assenting, and to be under the immediate charge of a Director, assisted by an Advisory Committee, appointed by the Council, the Director to be appointed after consultation with the several Governments assenting. The remaining resolutions of the Conference deal with the principles and methods desirable in various sections of the statistical field for the purpose of promoting uniformity and co-ordination, and are such as may be adopted in essential features by the Government of Canada.

The Committee, on the recommendation of the Minister of Trade and Commerce, advise that the proposals made by the Conference be approved in principle, and that the Honourable Sir George E. Perley, K.C.M.G., High Commissioner for Canada, be appointed to represent the Government of Canada in the discussion of details in connexion with the preparation of the proposed Royal Charter.

The Committee, on the same recommendation, further advise that Your Excellency may be pleased to forward a copy hereof to the Right Honourable the Secretary of State for the Colonies, for the information of His Majesty's Government.

All of which is respectfully submitted for approval.

G. G. KEZAR,

Assistant Clerk of the Privy Council.

47445

No. 120.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 25th September, 1920.)

(No. 275.)

MY LORD, Governor-General's Office, Melbourne, 9th August, 1920.

REFERRING to your despatch dated 26th April, 1920, Dominions No. 173,* covering copies of a Parliamentary Paper containing the report of the British Empire Statistical Conference, I have the honour, at the instance of my Prime Minister, to inform Your Lordship that the Commonwealth Government believes that it would be desirable, at the appropriate time, that a conspectus of the statistics and organization of the Empire should be readily available for the use of the Governments and publicists of all parts of the Empire, and that, as recommended by the Conference, a Bureau of Statistics for the British Empire should be created.

As to the appropriate time for creating such a Bureau, the Commonwealth Government takes this opportunity of pointing out that several of the self-governing Dominions, viz., Canada, New Zealand, South Africa, and Australia, have, at considerable expense, already organized bureaux to deal systematically with the matters of census and statistics for their particular parts of the Empire; but the United Kingdom has not as yet organized a similar body to assemble what may be called the statistical products of various departmental activities, and my Ministers

* No. 117.

suggest that the creation of such a Bureau in the United Kingdom appears to be a desirable, if not, indeed, a necessary, preliminary to the establishment of an Empire Bureau. When the Bureau for the United Kingdom has been established, the aggregation of the material collected for the purposes of the Empire as a whole could be better and more expeditiously effected. Unless such an organization were first created, a large part of the work of the proposed Empire Bureau of Statistics would necessarily consist of formulating the statistical conspectus of the United Kingdom itself, a labour with which the Empire Bureau ought not to be charged.

With the purely technical and other aspects of the proposals, the Commonwealth Government is in substantial agreement.

I have, &c.,
R. M. FERGUSON,
Governor-General.

57688

No. 121.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 24th November, 1920.)

(No. 163.)

MY LORD, Government House, Wellington, 11th October, 1920.
WITH reference to Your Lordship's despatch, Dominions No. 173, of the 26th April last,* enclosing copies of the report of the British Empire Statistical Conference, I have the honour to inform you that my Government, while generally in sympathy with the proposal, regret that they are unable at present to support the establishment of a British Empire Statistical Bureau as recommended in the report.

2. The Dominion Government entirely approve of the development and co-ordination of the statistics of the Empire on the lines suggested in the other resolutions of the Conference. New Zealand statistics already cover much of the ground recommended, and, whenever practicable, alterations and extensions will be made in accordance with the recommendations of the Conference.

I have, &c.,
JELLICOE,
Governor-General.

10813

No. 122.

INDIA OFFICE to COLONIAL OFFICE.

(Received 7th March, 1921.)

SIR, India Office, 5th March, 1921.
I AM directed by the Secretary of State for India in Council to transmit to you, for information, copy of a letter from the Government of India, and of a letter† from the Board of Industries and Munitions in India with enclosure, on the subject of the Imperial Statistical Conference.

Reference to previous correspondence: Letter to the India Office of the 29th November, 1920.‡

I am, &c.,
F. W. DUKE.

Enclosure in No. 122.
No. 22 OF 1920.
GOVERNMENT OF INDIA.
DEPARTMENT OF COMMERCE,
Statistics.

SIR, Simla, the 20th May, 1920.
In your telegram dated the 20th April, 1920, you asked for an expression of our views on the Resolutions of the British Empire Statistical Conference recently

* No. 117. † Not printed. ‡ This and previous letters forwarded the correspondence with the Dominion Governments.

held in London. You added that our opinion on the proposal to constitute a Central Bureau of Statistics for the British Empire was required as early as possible, and, if necessary, should be furnished in advance.

2. It will be some time before we shall be able to formulate our views on all the numerous recommendations of the Conference. We have, however, considered the Resolution regarding the establishment of a Statistical Bureau for the British Empire. We approve of this proposal, and we accept generally the views of the Conference regarding the functions and constitution of the Bureau. We note that it is proposed that the funds necessary for the maintenance of the Bureau should be obtained by joint contributions from the various Governments of the Empire which adhere to the Bureau and that the fixation of these contributions is to be left for settlement by a further meeting of representatives of those Governments in London. We have no objection to this proposal and presume that you will select our representative at this meeting.

We have, etc.,
CHELMSFORD.
C. C. MONRO.
G. S. BARNES.
W. H. VINCENT.
MUHAMMAD SHAFI.
T. H. HOLLAND.
A. P. MUDDIMAN.

To
The Right Honourable Edwin Montagu,
His Majesty's Secretary of State for India.

18132

No. 123.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.49 a.m., 14th April, 1921).

TELEGRAM.

14TH APRIL. My despatch 11th October, No. 163.* My Government has now decided to support proposal for the establishment of a British Empire Statistical Bureau as recommended in the report of the British Empire Statistical Conference. Names of the two representatives of New Zealand on the Council of the proposed Bureau will be telegraphed later.—JELLICOE.

* No. 121.

RESOLUTION IX: IMPERIAL NEWS SERVICE.

The Imperial War Conference is impressed with the importance of securing, (a) that an adequate news service should be available in all parts of the British Empire, and (b) that this service should be supplied through British sources. The Conference requests His Majesty's Government to formulate a scheme, with these objects in view, on the lines indicated in the Memorandum* prepared by the Minister of Information, and to submit this scheme for the consideration of the Governments represented at the Conference.

Secretariat Note.—See also Section VII (e) of Summary of Proceedings of Imperial Meetings, 1921 (page 256 of this volume).

43489

No. 124.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 3.40 p.m., 12th August, 1919.)

TELEGRAM.

[Answered by Nos. 127 and 137.]

12TH AUGUST. As your Ministers are aware no news service on any considerable scale supplied to Canada from British sources before the War. See Fifth Interim Report Dominions Royal Commission [Cd. 8457], pages 38 to 40, and discussions on Imperial News Service, Imperial War Conference, 1918.†

Since 1917 arrangements have been in force whereby Reuters have instituted general news service from London to Canada. This service sent to Reuters' agent, Ottawa, who supplies newspapers throughout Dominion free of subscription and also re-transmits messages to Newfoundland.

Recently negotiations have been proceeding with a view to continuance of this service for one year from 1st October, 1919, on similar lines to those in force since 1917, and Reuters have now proposed a scheme whereby general news service of 25,000 words per month would be sent to Canada on Government account at estimated cost £598 19s. 2d. per month, plus £120 per month for editorial expenses London and Canada.

Former charge based upon cost of press messages. Reason for latter charge is that as there has been no regular Reuters' service to Canada like that to other British Oversea Dominions, special editorial arrangements have to be made for composing, editing, and despatching service to Canada and for landing it there. Selection of news would be left to Reuters' discretion subject to any instructions which may be given in special circumstances and subject to general condition that no sporting news or news not of national importance may be sent on Government account.

His Majesty's Government prepared to pay half cost of proposed service, including editorial expenses, for one year from 1st October.

Would your Ministers be ready to pay other half of expenditure? Please reply by telegraph.—MILNER.

43489

No. 125.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 3.5 p.m., 12th August, 1919.)

TELEGRAM.

[Answered by Nos. 128, 129, and 130.]

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

12TH AUGUST. Since beginning 1917 arrangements have been in force whereby Reuters have supplemented their ordinary news service to the British

* See pages 238 and 239 of [Cd. 9177.]

† See pages 92-94 of [Cd. 9177.]

Oversea Dominions by a special service on Government account. Latter service designed to convey news of events of Imperial interest in all parts of the Empire, and ministerial statements on matters of public importance which in ordinary circumstances would not have been transmitted at all or would have been sent only in a very condensed form.

His Majesty's Government felt that it was of much importance that during the War information of this kind should be given widest publicity possible, and it was thought that as Reuters already supplied general news service to most parts of the Empire their organization was best fitted for distribution of additional news of the kind in question.

Recently negotiations have been proceeding with a view to continuance of this special service for a period of one year from 1st October, 1919, on similar lines to those in force during War, and Reuters have now put forward scheme whereby special news service would be sent on Government account

(a) to the Mediterranean and the Eastern Colonies,

(b) to South and East Africa and to West Africa in a condensed form,

(c) to Australia and New Zealand.

This special service would be supplied to newspapers free of cost, and would be not in substitution for but additional to regular Reuters' service. It would be arranged by the Editors who conduct regular service, and selection of news would be left to Reuters' discretion subject to any instructions which may be given in special circumstances and subject to general condition that no sporting news or news not of national importance may be sent on Government account.

Total cost of proposed services on three routes above mentioned about £9,300 per annum, and His Majesty's Government prepared to pay part of this cost, but they wish to ascertain whether the other Governments interested willing to contribute to the cost of the special service on the particular route with which they are specially concerned.

[To Commonwealth of Australia and New Zealand: On route to Australia and New Zealand total cost for service of 12,000 words per month estimated at about £375 per month. His Majesty's Government willing to contribute £175* per month. Would your Ministers be prepared to make contribution of similar amount for one year from 1st October? Please reply by telegraph.]

[To the Union of South Africa: On route to South, East, and West Africa total cost for service of 12,000 words a month, estimated at about £2,100 per annum.

His Majesty's Government willing to contribute £700 per annum, and they suggest that Union Government should contribute similar amount, remainder being met by contributions from East and West African Colonies and Protectorates.

Please telegraph whether your Ministers agree to make contribution suggested for one year from 1st October.]—MILNER.

46319

No. 126.

HOUSE OF COMMONS.

12th August, 1919.

REUTERS' AGENCY.

MR. HURD asked the Secretary to the Treasury what sum was paid to Reuters' Agency in the last financial year, and what sum is due in the current financial year in respect of Press cablegrams to Canada and other parts of the Empire, respectively; what are the exact services for which these payments are made; and what is the term of the contract with this Agency?

Lieut.-Colonel Amery: I understand that in the last financial year a sum of £30,697 was paid to Reuters' Agency by the Ministry of Information in respect of Press cablegrams to Canada and other parts of the Empire, and that this payment was made in consideration for the despatch of special items of news of Imperial interest which would not have been cabled under ordinary commercial conditions. The services to Canada and other parts of the British Empire are being carried on until 1st October, 1919, on a reduced scale; the estimated cost of these services for a whole year, on the present lines, is approximately £18,000. The question of the arrangements to be made after 1st October, 1919, is now under consideration.

* £175 should read £125. The mistake occurred in coding and was rectified later by telegraph.

51832

No. 127.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.20 a.m., 6th September, 1919.)

TELEGRAM.

[Answered by No. 131.]

5TH SEPTEMBER. Your telegram of 12th August* respecting news service between Great Britain and Canada. Government of Canada have given careful consideration to proposal for continuance of Reuters' Service, and have consulted Canadian Press, Limited, organization which controls distribution of news among Canadian papers, and whose co-operation will be essential to success of any proposal. At present Canadian Press, Limited, control operations of another association known as Canadian Associated Press, which has an office in London and supplies British news to Canadian papers. Both organizations are to some extent subsidized by Government of Canada. Canadian Press, Limited, propose to discuss extension of their cable service at their annual meeting in October, but in the meantime they decline to enter into any arrangements for carrying or distributing news unless they have entire responsibility for selection of news to be carried (out). Since under your proposal responsibility for news will be left to Reuters' discretion proposed arrangement seems impracticable at present.—DEVONSHIRE.

52474

No. 128.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.55 a.m., 10th September, 1919.)

TELEGRAM.

Your telegram 12th August,† Reuters' general news service. Government of New Zealand is favourable to the proposal, and is agreeable to contribute £175 per month as suggested for one year from 1st October, 1919.—LIVERPOOL.

56153

No. 129.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.55 p.m., 27th September, 1919.)

TELEGRAM.

27TH SEPTEMBER. Your telegram 12th August,† Ministers are prepared to avail themselves of the special news service for one year commencing 1st October, 1919.—BUXTON.

56532

No. 130.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.4 a.m., 1st October, 1919.)

TELEGRAM.

WITH reference to your telegram 12th August,† and your telegram 13th September,‡ and your telegram 24th September,§ special news service. Government

* No. 124. † No. 125. ‡ 52474: not printed; this corrected the error explained in footnote in No. 125. § 43480: reminder, not printed.

653

of Commonwealth of Australia regrets cannot agree to provide suggested contribution of £125 per month. Matter appears to be one for consideration by Australian newspaper proprietors, there being no assurance that they would use material proposed to be (?) supplied.—FERGUSON.

51832

No. 131.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4.15 p.m., 1st October, 1919.)

TELEGRAM.

[Answered by No. 132.]

Your telegram of 5th September.* Notice has been given to Reuters of termination of subsidy from His Majesty's Government on 31st October. His Majesty's Government would be quite willing to consider continuance of subsidy for service to Canada of news of Imperial interest in conjunction with Canadian Government for period from 1st November, 1919, to 30th September, 1920, and would be ready to utilize machinery of Canadian Associated Press. Since, however, this Association has, it is understood, no organization for collection of news of Imperial interest all over the world, His Majesty's Government could only consider question of subsidizing it if it first made some arrangement with such an organization as Reuters' as would ensure to their satisfaction and that of Canadian Government Imperial character of news sent and its adequacy for purpose in view.

If your Government should wish to pursue proposal, presumed that they will consult Canadian Press, Limited, and telegraph in course of October.—MILNER.

62194

No. 132.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.30 p.m., 29th October, 1919.)

TELEGRAM.

28TH OCTOBER.—With reference to your telegram 1st October† Secretary of State for External Affairs has consulted Canadian Press, Limited, and believes that they will enter into arrangement that will fully meet your views. Officers of Canadian Press, Limited, are unwilling to enter into agreement pending their annual meeting 25th November, and it will be therefore necessary to await formal decision to be given on that date.—DEVONSHIRE.

64212

No. 133.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 5.10 p.m., 18th November, 1919.)

TELEGRAM.

(New Zealand.)
(Union of South Africa.)

18TH NOVEMBER. Referring to my telegram 12th of August,‡ supplementary Reuter service. Arrangements regarding contributions came into force 1st October, and continuance of service has been approved so far up to 31st December. It should be understood that supplementary service compiled and sent out in same way as

* No. 127. † No. 131. ‡ No. 125.

ordinary Reuter service, arrangements often being that percentage of words in messages charged to Reuters and remainder to Government. Consequently, supplementary service will not be furnished direct to your Government unless this procedure has been in force in the past, but will be delivered to local newspapers and any others subscribing to Reuter service, and will be published with ordinary news service.—MILNER.

70100

No. 134.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 2.55 p.m., 13th December, 1919.)

TELEGRAM.

[Answered by Nos. 135 and 136.]

(New Zealand.)

(Union of South Africa.)

13TH DECEMBER. Referring to my telegram of 12th August* all Oversea Governments interested except Commonwealth Government have agreed to contributions asked for. Correspondence with Commonwealth Government proceeding. Owing to difficulty in adjusting other contributions at short notice thought best that deficit should be met for the present by reduction in number of words sent out, and accordingly proposed that for three months from 1st January next wordage should be reduced to 9,000 words per month. Hoped that there will be no objection to this. Proposed to issue necessary instructions to Reuters 20th December.—SECRETARY OF STATE FOR THE COLONIES.

73397

No. 135.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.45 p.m., 27th December, 1919.)

TELEGRAM.

27TH DECEMBER.—Your telegram 13th December,† special news service. No objection to proposed arrangements.—BUXTON.

3429

No. 136.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.26 p.m., 20th January, 1920.)

TELEGRAM.

20TH JANUARY. Your telegram 13th December.† My Government have no objection to Reuters' news service being reduced to 9,000 words per month.—LIVERPOOL.

* No. 125.

† No. 134.

13910

No. 137.

CANADA.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 11.20 p.m., 15th March, 1920.)

TELEGRAM.

[Answered by No. 144.]

15TH MARCH. Your telegram 12th March,* Imperial news service. Canadian Press Association has now held meeting and advised Government of Canada that it is prepared to enter into agreement to provide news service, your telegram 13th August, 1919,† on following basis: (1) Reuter has agreed with Canadian Press to place all its Empire news at disposal of Canadian Press in London in consideration of payment of 5,000 dollars per annum by Canadian Press. (2) Canadian Press to establish agency in London for selection Imperial news transmit it to Canada and distribute here to extent of 1,200 words daily. (3) Estimated cost is as follows:—Reuter Agency in London 5,000 dollars, payment of editors in London and Canada 20,000 dollars, cable tolls 30,000 dollars, total 55,000 dollars. Of this amount Canadian Press offers to pay 15,000 dollars and to pay cost of telegraphic tolls for distribution of news in Canada after it reaches here, arrangement to be for a period of three years. If this amended proposal meets with your approval, and His Majesty's Government is prepared to pay one half of 40,000 dollars, Government of Canada will be pleased to pay other half. Canadian Press have suggested that completion of arrangement should stand over till after meeting of Imperial Press Conference in Ottawa next August, as some suggestions might be made then which will further improve Imperial news service. In the meantime, however, my Ministers would be glad to know if this amended proposal meets with approval of His Majesty's Government.—ADMINISTRATOR.

15300

No. 138.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.40 a.m., 24th March, 1920.)

TELEGRAM.

23RD MARCH. Your telegram 12th March,* Reuter service. Following from Prime Minister:—*Begins:* Greatly regret unable meet your wishes, writing. *Ends.* —FERGUSON.

15300

No. 139.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 6.45 p.m., 25th March, 1920.)

TELEGRAM.

[Answered by Nos. 140 and 141.]

(New Zealand.)

(Union of South Africa.)

25TH MARCH. Referring to my telegram of 13th December,‡ proposed to continue Reuter service of 9,000 words per month for further three months from 1st April.

Presumed that this arrangement will be acceptable. Instructions will be sent to Reuters 27th March.—SECRETARY OF STATE FOR THE COLONIES.

* 6993: not printed. These telegrams were reminders.

† No. 124.

‡ No. 134.

17848

No. 140.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.10 a.m., 8th April, 1920.)

TELEGRAM.

8TH APRIL, 1920. Your telegram 25th March.* Continuance of Reuter service for further three months from 1st April is acceptable to my Government.—LIVERPOOL.

18251

No. 141.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.40 a.m., 10th April, 1920.)

TELEGRAM.

8TH APRIL. Your telegram 25th March,* Reuter service. My Ministers have no objection.—BUXTON.

23076

No. 142.

CANADA.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.15 a.m., 8th May, 1920.)

TELEGRAM.

[Answered by No. 143.]

7TH MAY. My Ministers represent that House of Commons has called for return of correspondence between Government of Canada and officers of Canadian Press, Limited, with reference to improved news service between United Kingdom and Canada. This correspondence discloses basis of proposed joint contribution His Majesty's Government and Government of Canada, see your telegram 13th August and my telegram 15th March.† My Ministers inquire whether there is any objection on the part of His Majesty's Government to production of these papers, while Canadian Press Association were asked to keep proposals confidential pending final action. Matter has received considerable publicity in certain section of press, and Government of Canada would prefer bringing down whole correspondence unless His Majesty's Government object.

23076

No. 143.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.35 p.m., 13th May, 1920.)

TELEGRAM.

13TH MAY. Your telegram 7th May,‡ publication of news service correspondence. His Majesty's Government have no objection.—MILNER.

* No. 139. † Nos. 124 and 137. ‡ No. 142.

655

23745

No. 144.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 10.50 a.m., 2nd June, 1920.)

TELEGRAM.

[Answered by No. 145.]

2ND JUNE. Your telegram 15th of March,* news service. Reported in Press that at annual meeting Canadian Press Association held Toronto last month Association decided to improve Imperial service from their own resources with such aid as Canadian Government might grant and not to ask for assistance from His Majesty's Government. Is report correct?—MILNER.

27975

No. 145.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8 a.m., 6th June, 1920.)

TELEGRAM.

[Answered by No. 146.]

5TH JUNE. Your telegram 2nd June,† news service. My Ministers represent that annual meeting of Press Association has decided against accepting any assistance from Imperial Government. Government of Canada is not sure new proposal would provide anything like as extensive Imperial news service as contemplated in proposals under consideration, but is best that could be arranged under present conditions, and they appreciate generous offer of the Imperial Government.—DEVONSHIRE.

27975

No. 146.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 148.]

(No. 366.)

MY LORD DUKE,

Downing Street, 16th June, 1920.

WITH reference to Your Excellency's telegram of the 5th of June,‡ regarding the provision of a special service to Canada of news of Imperial interest, I have the honour to request you to inform your Ministers that I should be glad to be furnished, in due course, with details as to the new arrangements contemplated.

I have, &c.,
MILNER.

Attached to 23746

No. 147.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 3.40 p.m., 24th June, 1920.)

TELEGRAM.

[Answered by Nos. 149 and 150.]

(New Zealand.)

(Union of South Africa.)

24TH JUNE. Referring to my telegram of 25th March,§ proposed continue special Reuter service for further three months from 1st July on existing conditions,

* No. 137. † No. 144. ‡ No. 145. § No. 139.

and presumed that this arrangement will be acceptable. By 30th September contributions to service on part of Dominions and Colonies will have been in operation for a year; with a view to considering question of continuance after that date His Majesty's Government would be glad to be furnished by telegraph, if possible by middle of August, with views of your Government, first, extent to which service is utilized by newspapers and degree of prominence given; secondly, its value from Imperial point of view; thirdly, their willingness or otherwise continue to contribute.—MILNER.

36395

No. 148.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 23rd July, 1920.)

[Answered by No. 154.]

(No. 469.)

MY LORD,

Government House, Ottawa, 13th July, 1920.

WITH reference to your despatch No. 366 of the 16th June last,* regarding the provision of a special cable news service to Canada, I am informed that the Canadian Press, Limited, propose to develop for all the daily newspapers of Canada a supplementary cable service.

I have, &c.,
DEVONSHIRE.

41135

No. 149.

NEW ZEALAND.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.26 p.m., 19th August, 1920.)

TELEGRAM.

[Answered by No. 152.]

19TH AUGUST. Your telegram 24th June,† special Reuter service. My Government do not consider service is proving really advantageous and therefore prefer to discontinue it, but they are willing to contribute their share of 6,000 words from 30th September to 31st December next, and their share of 3,000 words for the next quarter ending 31st March, 1921, New Zealand contribution then to cease.—STOUT.

41587

No. 150.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 3.23 p.m., 21st August, 1920.)

TELEGRAM.

[Answered by No. 151.]

20TH AUGUST. With reference your telegram 24th June,† special Reuter service. (1) Ministers state that service is utilized by press in usual manner, and they have no complaint to make regarding prominence given to matter telegraphed to this country. (2) As regards value from Imperial point of view Ministers consider that telegraphed account of ministerial statements made in Europe and other parts of world at a time like the present serve to keep South African public informed

* No. 146. † No. 147.

of events more especially regarding foreign relations which but for this service would only be known to the very small proportion of the people which makes a study of the European press. (3) In the circumstances Ministers are prepared to continue subscriptions for a further year from 1st October, 1920, on present basis.—BUXTON.

45421

No. 151.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 9.0 p.m., 21st September, 1920.)

TELEGRAM.

[Answered by No. 153.]

21ST SEPTEMBER. Your telegram of 20th August,* Special Reuter service. Replies received to my telegram 24th June† as to the value of service were divergent. Generally speaking Mediterranean and West African Colonies, Ceylon, and New Zealand were against, whilst in addition to Union, East African Dependencies, Malaya, and Hong Kong favoured continuance. In these circumstances I have been inquiring from Reuters cost of service confined to parts of Empire in favour of continuance and have ascertained that contributions on previous scale still available, together with contribution of approximately one-third of total cost from His Majesty's Government, would suffice for service of 6,000 words costing £250 per month to Union of South Africa, East African Dependencies, Malaya, and Hong Kong. In the circumstances proposed to arrange for such a service for three months experimentally commencing 1st October and to notify Reuters 27th September. If your Ministers see any objection should be glad to be informed at earliest possible moment.—MILNER.

45421

No. 152.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.40 p.m., 22nd September, 1920.)

TELEGRAM.

YOUR telegram of 19th August‡ Special Reuter service. His Majesty's Government grateful to New Zealand Government for offer to continue to contribute for next six months, but as replies to my telegram of 24th June† were divergent and found that only Union of South Africa, East African Dependencies, Malaya and Hong Kong in favour of continuance, decided to restrict service to latter parts of Empire as from 1st October. Consequently service to New Zealand will be discontinued after 30th September.—MILNER.

48073

No. 153.

UNION OF SOUTH AFRICA.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 9.15 p.m., 28th September, 1920.)

TELEGRAM.

[Answered by No. 155.]

28TH SEPTEMBER. Your telegram 21st September,§ Special Reuter service. Assuming that Union's contribution will not exceed £700 per annum for a service of 6,000 words per month my Ministers have no objection to adoption of proposed arrangement for a period of three months from 1st October.—INNES.

* No. 150. † No. 147. ‡ No. 149. § No. 151.

49227

No. 154.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 4.40 p.m., 12th October, 1920.)

TELEGRAM.

12TH OCTOBER. Referring to your despatch of 13th July No. 469,* Canadian News Service. Understood that Roderick Jones of Reuters' has been discussing with Canadian Press, Limited, possibility of sending service of 30,000 words per month by Imperial cable to Canada at special low rate.

From inquiries made here find that Post Office would undertake to carry such a service by the Imperial cable, but must charge full press rate, 5d. per word.

Difference between this rate and any amount which Canadian Press and Reuters would be prepared to contribute would accordingly have to be made up either by Canadian Government or from special vote on Estimates here.

If Canadian Press does not object to this form of subvention His Majesty's Government prepared as temporary measure for five months from 1st November to contribute half difference between ordinary rate of 5d. and say 1d. rate (which Canadian Press would be required to pay) for service of 30,000 words per month, provided that Canadian Government would contribute remaining half. Contribution involved on this basis would be £250 per month each by His Majesty's Government and Canadian Government. Suggested conditions of contribution are (a) that no sporting news or news not of national importance should be sent by special service; (b) that copies of all telegrams should be supplied by Reuters to us and by Canadian Press to Canadian Government; (c) that Canadian Press should undertake to transmit whole of special service to Western Canada. Please telegraph views of Canadian Government as soon as possible.—MILNER.

49492

No. 155.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE ACTING GOVERNOR-GENERAL.

[Answered by No. 157.]

(No. 413.)

SIR,

Downing Street, 19th October, 1920.

With reference to my telegram of 21st September, and your reply of the 28th September,† as to the special Reuter service, I have the honour to request your Excellency to inform your Ministers that a service of 6,000 words per month to the Union of South Africa, the East African Dependencies, Malaya and Hong Kong, has now been sanctioned experimentally for three months from 1st October.

2. I should be glad if you would arrange to furnish me by telegraph, not later than the first week in December, with an expression of your Ministers' views as to (a) the value of the service as modified; (b) the prominence given to it; (c) their willingness or otherwise to continue to contribute after 31st December, should there be a general desire, on the part of the Governments concerned, that the special service should go on.

I have, &c.,
MILNER.

58977

No. 156.

HOUSE OF COMMONS.

22nd November, 1920.

NEWS SERVICE (GOVERNMENT CONTRIBUTION.)

MR. HURD asked the Prime Minister whether any fresh arrangement is being made, or is contemplated, with Reuter's Agency for the continued transmission of

* No. 148. † Nos. 151 and 153.

657

subsidized news to Canada and other parts of the Empire; and, if so, what is the character of the news to be subsidized, the amount of British public money involved, and of contributions by other Governments of the Empire, and the term of the arrangement?

Lieut.-Colonel Amery: I have been asked to reply to this question. I would refer my hon. friend to Class V, 2, page 36, of the Estimate for Foreign and Colonial Services for 1920-21. The only news service at present in operation to which His Majesty's Government contributes is one to the Union of South Africa, the Colonies and Protectorates in East Africa, Malaya, and Hong Kong, which has been approved up to 31st December, 1920. The cost of the telegrams on this service is made up as to approximately two-thirds by the Oversea Governments concerned and as to one-third by His Majesty's Government. The news sent relates to events of Imperial interest in all parts of the Empire and Ministerial statements on matters of public importance which, in ordinary circumstances, would not be sent at all, or sent only in a very condensed form. The question of continuing this service after 31st December will come up for review next month. As regards Canada His Majesty's Government would be glad to see the news service from the United Kingdom improved, and there is reason to think that the Canadian Government take a similar view. Various discussions have taken place, but no arrangements have yet been arrived at.

58513

No. 157.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 11.22 a.m., 28th November, 1920.)

TELEGRAM.

25TH NOVEMBER. Your despatch, 19th October, No. 413,* Reuter service. On points (a) and (b) Ministers refer to replies conveyed in Lord Buxton's telegram of August 20th.† They are prepared to continue subscription not exceeding £700 per annum for a year from 1st October, 1920, in accordance with telegram to you of 28th September.‡—ARTHUR FREDERICK.

58670

No. 158.

HOUSE OF COMMONS.

2nd December, 1920.

IMPERIAL NEWS SERVICES.

MR. HURD asked the Prime Minister whether His Majesty's Government is taking any steps in pursuance of the desire generally expressed at recent Imperial Conferences for improved news services between this country and other parts of the Empire; and whether, in any such services, it is intended to institute any form of Government control or supervision of the news sent or confine the dissemination of subsidized news to any single agency rather than to give equal facilities to all agencies and all authorized newspaper correspondents?

The Under-Secretary of State for the Colonies (Lieut.-Colonel Amery): I have been asked to reply to this question. His Majesty's Government are fully in sympathy with the desire that the news service between the United Kingdom and other parts of the Empire should be improved; the steps already taken in this direction are explained in an answer which I gave to my hon. friend on 22nd November.§ As regards the last part of the question, His Majesty's Government are as a general principle in favour of granting equal facilities to all agencies and recognized newspaper correspondents, without any control or stipulations as to the character of the news sent, subject always to practical difficulties which may, for the time being, make it necessary for such assistance to be limited in its application and directed to special objects.

* No. 155. † No. 150. ‡ No. 153. § See No. 156.

Mr. Hurd: Can the hon. and gallant Gentleman now give the House an assurance that in any arrangement for bringing down cable rates with the aid of British State money, these lower rates will be available for all news services?

Lieut.-Colonel Amery: I think that the last part of my answer meets that point. From the circumstances of the time we may not be able to carry out the general rule that the lower rates should be given to everyone.

58513

No. 159.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 3.30 p.m., 24th December, 1920.)

TELEGRAM.

24TH DECEMBER. Referring to my despatch of 19th October,* special Reuter service, 6,000 words per month being continued for three months from 1st January next on existing conditions.—MILNER.

Attached to 9185

No. 160.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 3.15 p.m., 30th March, 1921.)

TELEGRAM.

30TH MARCH. With reference to my telegram, 24th December,† special Reuter service, 6,000 words per month, being continued for three months from 1st April on present conditions.—CHURCHILL.

Attached to 9185

No. 161.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 4.15 p.m., 6th May, 1921.)

TELEGRAM.

[Answered by No. 162.]

6TH MAY. My telegram, 30th March,‡ His Majesty's Government have under consideration question of discontinuing their contribution to special Reuter service set out in my telegram, 22nd September [?21st September].§ Should discontinuance of this contribution be decided upon, additional cost to each of the other participating Governments for continuance of present service of 6,000 words per month would be approximately 50 per cent. of their present contributions. Would your Government be willing to make up its quota assuming other Governments did so. In alternative please indicate whether your Government would prefer to discontinue service altogether, or, if not, what amount it would be willing to provide for year commencing 1st July next.—CHURCHILL.

* No. 155. † No. 159. ‡ No. 160. § No. 151.

24037

No. 162.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8.25 p.m. 16th May, 1921.)

TELEGRAM.

16TH MAY. Your telegram, 6th May,* special Reuter service. Ministers refer to decision to contribute £700 for one year from 1st October, 1920, referred to in my telegram, 25th November.† Upon expiry of this period they do not propose to recommend Parliament to make further contribution, and service should therefore be discontinued after 30th September next.—ARTHUR FREDERICK.

Secretariat Note.—In view of the fact that participating Governments could not give sufficient measure of support to justify continuance of this service, the service was discontinued from 1st July, 1921.

* No. 161. † No. 157.

RESOLUTION X: DYE MANUFACTURING INDUSTRY. 75019

The Conference takes note of the action taken and contemplated by His Majesty's Government with a view to freeing the industry of the United Kingdom from dependence on German dye-stuffs, and recommends the Governments of the Empire to consider immediately what steps can be taken to co-operate with the efforts of the Imperial Government to promote the successful development of the dye industry in the British Empire, and so to avoid enemy domination over our essential industries.

(See pages 194-195 of Dominions No. 61.)

10470

No. 163.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.0 a.m., 16th February, 1919.)

TELEGRAM.

Your despatch 31st October, Dominions 628;* steps being taken by Commonwealth Government to prohibit by Proclamation importation, except with permission of Minister of Trade and Customs, of dyes other than of British origin.—MUNRO-FERGUSON.

12859

No. 164.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 2.0 p.m., 1st March, 1919.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

PROCLAMATION issued 24th February prohibiting, except under licence, importation United Kingdom of all derivatives coal tar generally known as intermediate products capable being used or adapted for use as dye-stuffs, or being modified or further manufactured into dye-stuffs; all direct cotton colours, union colours, acid wool colours, chrome and mordant colours, alizarine colours, basic colours, sulphide colours, vat colours (including synthetic indigo), oil, spirit, and wax colours, lake colours, and any other synthetic colours, dyes stains, colour acids, colour bases, colour lakes, leuco acids, leuco bases, whether in paste, powder, solution, or any other form.—MILNER.

12859

No. 165.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 2.30 p.m., 1st March, 1919.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

1st MARCH. Reference to Proclamation† prohibiting importation dyestuffs sent to-day official news see my despatch of 31st October, Dominions No. 628.* —MILNER.

* No. 268 in Dominions No. 61.

† See No. 164.

12859

No. 166.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.)	} Dominions No. 166.)
(Commonwealth of Australia.)	
(New Zealand.)	
(Union of South Africa.)	
(Newfoundland.)	

[My Lord DUKE.] [My LORD.] [SIR.] Downing Street, 11th March, 1919.

With reference to my telegram of the 1st March,* I have the honour to transmit to [Your Excellency,] [you.] for the information of your Ministers, the accompanying copies of a Proclamation† by His Majesty the King, relating to the importation of dyestuffs into the United Kingdom.

I have, &c.,
MILNER

12859

No. 167.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.0 p.m., 12th March, 1919.)

TELEGRAM.

My telegram 1st March.* General licence issued allowing importation of dyestuffs and other products covered by prohibition which are of *bona fide* French, American, Swiss, origin. Therefore not necessary at present obtain licences in respect of individual consignments United Kingdom from those countries.—MILNER.

16205

No. 168.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.45 p.m., 13th March, 1919.)

TELEGRAM.

[Answered by No. 172.]

YOUR despatch 31st October, Dominions 628,‡ *re* dyes. Proclamation mentioned my telegram 13th February§ now issued. Shipments from Allied or neutral countries on water or which will be actually shipped from country of export before 1st June next in execution of orders placed prior to 26th February will be permitted importation. Would be glad to learn whether British manufacturers are now in position to supply all Australian requirements.—MUNRO-FERGUSON.

* No. 164.
February, 1919.† Dated 24th February, and printed in *London Gazette*, No. 31201, 25th February, 1919.
‡ No. 268 in Dominions No. 61.

§ No. 103.

16745

No. 169.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.50 a.m., 16th March, 1919.)

TELEGRAM.

15TH MARCH. Your despatch 31st October, 1918, Dominions 628.* Government of Canada will promptly acquaint you of any steps which may be taken in Canada towards development of dye manufacturing industry. My Ministers state that so far nothing has been done in this direction.—DEVONSHIRE.

16795

No. 170.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 17th March, 1919.)

(No. 19.)

MY LORD, Government House, St. John's, 27th February, 1919.

I HAVE the honour to acknowledge the receipt of Mr. Long's despatch Dominions No. 628, of the 31st October,* on the subject of the dye manufacturing industry, and to convey to you the assurance of my Ministers that, although no dyes are manufactured in Newfoundland, they will take any action tending to the promotion of the industry in the British Empire.

2 The paper mills of the Anglo-Newfoundland Development Company at Grand Falls use a large quantity of dyes, and I transmit to you extract from a letter on the subject from Mr. W. Scott, the Manager of that Company, who will be glad to give any further information on the subject which may be required.

I have, &c.,

C. ALEXANDER HARRIS.

Enclosure in No. 170.

EXTRACT.

" PRIOR to the War we imported aniline dyes from Germany at a cost of about 28-2/5 cents per pound landed at Grand Falls, equivalent to a cost for dyeing of 1-8 cents per ton of paper. In 1916, after experimenting with a great many substitutes which gave very inferior results, at a cost of about \$1.50 for dyeing a ton of paper, we finally purchased two lots of dyes in China, through the agency of a firm of bankers in Boston, whose foreign agent had located these dyes. These dyes were said to have been imported into China before the War, and we obtained the necessary licences for importation into Newfoundland. One lot of 2,000 pounds which we bought in January, 1916, cost us \$6.50 per pound; the second lot of 2,500 pounds, which we bought in June 1916, cost us \$17.50 per pound. The duty charged in Newfoundland is thirty-five per cent, plus ten per cent., so that our average cost for these consignments was \$14.30 per pound. This is equivalent to a cost for dyeing of 90 cents. per ton of newsprint. At the present moment we are quoted by American manufacturers \$4 per pound for a dye which is not quite so effective as the German dyes were.

"I may say that the cost of dye is one of the few items which seem likely to recede in price, and I shall be glad indeed if any steps can be taken which will enable us to use British dyes in our manufacturing here.

"In regard to what steps the Government can take to co-operate in promoting the successful development of the dye industry in the Empire, I have not been able to give this matter very extensive consideration, but my proposal would be that the Government of Newfoundland should place British dyes when used in

* No. 268 in Dominions No. 61.

manufacturing newsprint on the tariff schedule at a rate, say, one-half of that applied to dyes of American origin, and that German dyes should be excluded until the selling price of British, French, or American dyes exceeded \$6 per pound of full strength aniline dye, such as is ordinarily used in the manufacture of newsprint.

"I may say that the German dye which we imported from China was a remarkably fine product, and had evidently been put up specially for the Chinese market; we have never had anything approaching it delivered to us from American manufacturers since the manufacture of aniline dyes was commenced in the United States. . . ."

20th February, 1919.

18923

No. 171.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 27th March, 1919.)

(No. 140.)

MY LORD, Governor-General's Office, Cape Town, 4th March, 1919.

I HAVE the honour to transmit to you herewith, with reference to Mr. Long's despatches, Dominions No. 628, of the 31st October, and Dominions No. 684, of the 28th November,* copy of a minute from Ministers, dated 24th February, 1919, on the subject of the dye industry.

I have, &c.,

BUXTON.

Governor-General.

Enclosure in No. 171.

(I.P. 18/17.)

(No. 271.)

Prime Minister's Office, Cape Town, 24th February, 1919.

MINISTERS have the honour to acknowledge receipt of His Excellency the Governor-General's minute No. 62/1073, of 19th December, 1918, minute Confidential No. 62/1074, of 19th December, 1918, and minute No. 62/1084, of 8th January, 1919, transmitting despatch Dominions No. 628, of 31st October, 1918, with enclosure, Confidential despatch Dominions No. 629, of 31st October, 1918, with enclosure, and despatch Dominions No. 684, of 28th November, 1918, from the Secretary of State for the Colonies, on the subjects of the dye manufacturing industry and State assistance thereto.

With reference to Dominions despatch No. 628, it is noted, from the enclosure accompanying Confidential despatch No. 629, that the Board of Trade anticipates that, as the consumption of dyes in South Africa is very small at present, there should be no special difficulty in supplying, through British sources, the needs of the Union to a large extent.

As regards the future, it may be stated that it is not anticipated that there will be any material increase in the near future in the Union's requirements of dyes.

While Ministers are not aware that there is any intention on the part of industrial undertakings in the Union to engage in the production of dyes, it may be mentioned that plants for the recovery of by-products from coal are now being erected. These plants are the first step towards the recovery of all derivatives from tar, and, while it will depend upon the business prospects as to which and how many of the tar derivatives will be produced, colliery concerns in the Union are fully alive to the value of development of the industry in this direction, and it is to be expected that further by-product plants will be started, in which event there should be considerable prospect of one or other of the concerns turning their attention to the production of dyes.

Ministers have the honour to state that it is recognized that it is of national importance that valuable by-products of coal should not be lost, and effort will be directed towards this end.

* Nos. 268 and 270 in Dominions No. 61.

21942

No. 172.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 8.15 p.m., 17th April, 1919.)

TELEGRAM.

[Answered by No. 177.]

YOUR telegram 13th March.* Board of Trade inform me that, in absence of information as to probable requirements of Commonwealth for dyestuffs in immediate future, very difficult to furnish definite reply. Can requirements be indicated as far as possible?—MILNER.

37437

No. 173.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.	} Dominions No. 296.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 24th April, 1919.

With reference to previous correspondence, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, the accompanying copies of an extract from *The Board of Trade Journal*, of the 10th April, relative to the importation of dyestuffs into the United Kingdom.

I have, &c.,

MILNER.

Enclosure in No. 173.

(Extract from *The Board of Trade Journal*, of 10th April, 1919, No. 1167, p. 466.)

IMPORT OF DYESTUFFS.

THE Trade and Licensing Committee appointed by the Board of Trade to administer the Prohibition of Import (No. 2) Proclamation relating to the import of dyestuffs give notice that as from and after the 14th April next the general licence which was given by them on the 27th February last in respect of the import of products covered by the Proclamation but which are of *bona fide* American, French, and Swiss origin will be revoked. All consignments which can be shown to the satisfaction of the Customs Authorities as having been en route from the place of origin in any of the countries mentioned above to the United Kingdom on a through bill of lading on the 9th April, 1919, will be admitted without special licence, but in all other cases a permit must be obtained from the Trade and Licensing Sub-Committee prior to the purchase abroad of dyestuffs or other products covered by the Proclamation.

Applications for permits should be made on the prescribed form to be obtained from the Secretary, Trade and Licensing Sub-Committee, Board of Trade, Danlee Buildings, Spring Gardens, Manchester.

* No. 108.

25940

No. 174.

NEW ZEALAND

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 29th April, 1919.)

[Answered by No. 175.]

(No. 51.)

MY LORD,

Government House, Wellington, 14th March, 1919.

With reference to your predecessor's despatch, Dominions No. 628, of the 31st October, 1918,* transmitting a copy of Resolution N† on the subject of the dye manufacturing industry, which was passed at the Imperial War Conference, 1918, I have the honour to inform Your Lordship that my Ministers have had inquiries made in New Zealand, and are advised that users of dyes in the Dominion are informed that at present British dye manufacturers can only produce twenty-five per cent. of the world's requirements.

2. In America, the manufacture of dyes has been taken up, and the trade is being pushed strongly, and it is stated that, unless Great Britain can increase her present output, woollen manufacturers and others using dyes in New Zealand will have to buy where they can to the best advantage.

3. All woollen mills in New Zealand are anxious to secure British dyes, and several took shares in the British Dyewares Company in the hope of securing preference. It is pointed out that the dyes supplied by the British Dyewares Company are reliable, whereas those prepared in America are not yet standardized, and consequently cannot be bought with confidence. At the same time it is anticipated that the standardization of American dyes will be brought about very quickly.

4. My Government would be glad if you could advise them what allocation of the British output is likely to be made available for New Zealand, as those using dyes here are desirous of supporting British trade, and only wish to be assured of being able to obtain the necessary supplies.

5. Steps are being taken by my Ministers to ascertain, as far as it is possible, what are the normal requirements of dyes in this Dominion.

I have, &c.,

LIVERPOOL.

Governor-General.

30749

No. 175.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 181.]

(No. 111.)

MY LORD,

Downing Street, 26th June, 1919.

With reference to Your Excellency's despatch No. 51, of the 14th March,‡ I have the honour to request you to inform your Ministers that it is understood from the Board of Trade that, as far as possible, licences are granted freely for the exportation of dyestuffs from the United Kingdom to New Zealand, but that the Board have no control over the output or distribution of British-made dyestuffs. In these circumstances it is not possible for the Board to state the proportion of the United Kingdom output of dyes which is likely to be available for New Zealand; but if your Ministers are in a position to furnish details of the kinds and approximate quantities of dyestuffs which are required, it might be possible to indicate the extent to which they could be supplied by British manufacturers.

I have, &c.,

MILNER.

* No. 208 in Dominions No. 61. † Page xiv, in Dominions No. 69, see also p. 110 of this Volume.
‡ No. 174.

24015

No. 176.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 504.)

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 26th June, 1919.
WITH reference to my despatch Dominions No. 166, of the 11th March,* I have the honour to request [Your Excellency.] [you.] to inform your Ministers that, in accordance with the policy of removing restrictions on the importation of goods into the United Kingdom from other parts of the British Empire, arrangements have been made for dyestuffs and other products which are within the scope of His Majesty's Proclamation of the 24th February, but are manufactured in British oversea Dominions, to be admitted into the United Kingdom without a licence.
I have, &c.

MILNER.

39305

No. 177.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 1.42 a.m., 3rd July, 1919.)

TELEGRAM.

[Answered by No. 178.]

WITH reference to your telegram 17th April,† *re* dyes. Information obtainable is not sufficient to enable definite statement to be made as to requirements. Proposed therefore to consider application to introduce foreign dyes, subject condition that unsuccessful effort made to place order with British manufacturers for dye required or effective substitute therefor, also that quantity for which permit required shall not exceed actual requirements up to end of the year. Would be glad if representation be made to British dye manufacturers that, in view of action of this Government in their interests, preferential treatment be granted as far as possible to orders from Australia.—FERGUSON.

42273

No. 178.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 6.45 p.m., 25th July, 1919.)

TELEGRAM.

Your telegram 2nd July,‡ dyes. Board of Trade state that attention of British dye makers being drawn to action of Commonwealth Government. While they feel that it would be difficult to suggest to British manufacturers that they should grant Australian orders preferential treatment over orders from other parts of the Empire, they are prepared to grant export licences for Australia as freely as possible.—MILNER.

* No. 166. † No. 172. ‡ No. 177.

45380

No. 179.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 5th August, 1919.)

[Answered by No. 183.]

(No. 96.)

MY LORD,

Government House, Wellington, 6th June, 1919.

WITH reference to your predecessor's despatch, Dominions No. 628, of the 31st of October last, and to my despatch No. 51, of the 14th of March, 1919,* on the subject of the dye industry, I have the honour to transmit to Your Lordship the accompanying particulars which have been obtained of the estimated dye requirements of the various woollen mills in this Dominion.

I have, &c.

LIVERPOOL.

Governor-General.

Enclosure in No. 179.

MEMORANDUM FOR HIS EXCELLENCY THE GOVERNOR-GENERAL.

THE Acting Prime Minister presents his compliments to His Excellency the Governor-General, and, further to memorandum of the 12th March with reference to Government House despatch No. 3628/18/19 regarding the dye industry, desires to submit, for His Excellency's information, particulars now available of the estimated dye requirements of the various woollen mills in the Dominion.

Acting Prime Minister.

THE NEW ZEALAND WOOLLEN MILL OWNERS' ASSOCIATION.

*Estimated Requirements of Dyes.**Bruce Woollen Company, Limited:—*

Bichromate of soda, 21 cwt.
Chrome blue-black, 3½ cwt.
Fustic crystals, 12 cwt.
Alizarine brown m., 8 cwt.
Hematine crystals, 80 cwt.
Anth.-red w., paste, 2½ cwt.
Acid green c.r., 1½ cwt.
Acid scarlet, 2 cwt.
Chrysophenine g., 7 lb.
Glauber's salts, 21½ cwt.
Anth. brown, e.b., 13 lb.
Formyl violet s. 4 b., 36 lb.
Alizarine orange w., paste, 11 lb.
Chrome blue g., 19 lb.
Anth. brown r., 15 lb.
Diamond flavine g., 15 lb.
Alizarine red w., powder, ½ cwt.
Formic acid, 10 cwt.
Acid yellow, 1145, 25 lb.
Coomassie navy blue, 22 lb.
Khaki yellow, 1 cwt.

Mosgiel Woollen Factory Company, Limited:—

Black hematine crystals, 8 tons.
Blue, alizarine blue (paste), 10 cwt.
Brown, alizarine brown (paste), 15 cwt.
Yellow, khaki yellow (paste), 15 cwt.
Green, khaki green (paste), 15 cwt.
Red, alizarine red (paste), 2 cwt.

* Nos. 268 in Dominions No. 61, and 174 in this Volume.

Ross and Glendinning, Limited:—

Coomassie blue, 5 cwt.
 Khaki brown, 3 tons.
 Khaki yellow, 3 tons.
 Indigo blue paste, twenty per cent., $\frac{3}{4}$ -ton.
 Hydrosulphite, $\frac{1}{4}$ -ton.
 Alizarine red, twenty per cent., powder, $\frac{1}{4}$ -ton (if paste four times more).
 Alizarine fast blue, 7 cwt.
 Hematine crystals, 8 tons.
 Tartan green, 4 cwt.
 Chrome red, h.s., $\frac{1}{4}$ -ton.
 Bright milling green b., 3 cwt.
 Fast wool scarlet, 4 cwt.
 Azol. rubine, 2 cwt.
 Lanofuchine, 2 cwt.
 Burl dye black, 2 cwt.
 Acetic acid, eighty per cent., 5 cwt.

South Canterbury Woollen Company, Limited:—

Red (powder), 10 cwt.
 Blue (powder), 1 cwt.
 Green (powder), $1\frac{1}{4}$ cwt.
 Black (hematine crystals), 90 cwt.
 Bluestone, 8 cwt.
 Yellow (powder), 1 cwt.
 Brown (powder), 6 cwt.
 Drabs (paste), 12 cwt.
 Bichrome of soda, 40 cwt.

Kaipoi Woollen Manufacturing Company, Limited:—

Black, 6 tons.
 Fustic, 2 tons.
 Blue, $\frac{1}{4}$ -ton.
 Brown, $\frac{1}{4}$ -ton.
 Assorted colours, 1 ton.
 Bichrome, 4 tons.

Napier Woollen Company, Limited:—

Black, 1 ton.
 Yellow, 4 cwt.
 Brown, 4 cwt.
 Blue, 1 cwt.

These quantities are for powder dyes. Should the dyestuffs be paste, about two-and-a-half tons would be required.

Onehunga Woollen Mills, Limited:—

Chrome black (powder), 2 tons.
 Brown (powder), 1 ton.
 Green (powder), $\frac{1}{4}$ -ton.
 Navy blue (powder), $\frac{1}{4}$ -ton.
 Fancy shades, light blue, scarlet, green, and red, $\frac{1}{4}$ -ton.
 Bichromate soda, 2 tons.

Oamaru Woollen Factory Company, Limited:—

Black, 5 tons.
 Brown, 1 ton.
 Blue, $\frac{1}{4}$ -ton.
 Yellow, $\frac{1}{4}$ -ton.
 Green, $\frac{1}{4}$ -ton.
 Various shades, $\frac{1}{4}$ -ton.

THE NEW ZEALAND WOOLLEN MILL OWNERS' ASSOCIATION.

*Additional Estimated Requirement of Dyes.**Wellington Woollen Manufacturing Company, Limited.*

Black, 10,000 lb.
 Yellow, 2,000 lb.
 Orange, 400 lb.
 Brown, 5,000 lb. (paste).
 Red, 1,300 lb.
 Dark blue, 1,700 lb.
 Green, 650 lb.
 Violet, 150 lb.
 Purple, 150 lb.
 Galloxyanine blue, 1,600 lb.

These colours must be in the most concentrated form obtainable. They must be chrome colours suitable for dyeing by any of the chrome methods—fast to light, alkali acids, milling, carbonizing, and level work.

Acid brilliant red, 150 lb.
 Victoria blue b., 60 lb.
 Brilliant milling green b., 50 lb.
 Alizarine sky blue b., 50 lb.
 Alizarine sapihorel s.e., 60 lb.
 Alizarine blue-black g.t., 150 lb.

Or dyes in every way equivalent

Lane, Walker, Rudkin, Limited:—

Blacks, 18 cwt.
 Blues, 27 cwt.
 Browns, 11 cwt.
 Greens, $4\frac{1}{4}$ cwt.
 Yellow, 6 cwt.
 Orange, $1\frac{1}{4}$ cwt.
 Violet, $2\frac{1}{4}$ cwt.
 Reds, 10 cwt.

Also 1 ton bichromate of potash, 2 tons common salt, 2 tons Glauber salts, 2 tons bisulphite of soda, 5 cwt. ground alum, 5 cwt. oxalic acid, 5 cwt. chloride of lime, $\frac{1}{4}$ -ton crude tartar.

48885

No. 180.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 320.)

SIR,

Downing Street, 30th August, 1919.

With reference to my telegram of the 25th July,* and previous correspondence, I have the honour to transmit to Your Excellency, to be laid before your Ministers, copies of correspondence with the United States Ambassador relative to the importation of dyestuffs into Australia.

I have, &c.,
 MILNER.

Enclosure 1 in No. 180.

(No. 441.)

Embassy of the United States of America.

THE American Ambassador presents his compliments to His Majesty's Secretary of State for Foreign Affairs, and has the honour to inform His Lordship that he is in receipt of a communication from the Acting Secretary of State in Washington in which it is set forth that the Government of the United States has noted, with some concern, the issuance by the Government of Australia, on 27th February last, of a prohibition upon the importation of dyestuffs, except of British origin, without a special permit from the Ministry of Trade and Customs.

* No. 178.

It is further set forth that the Acting Secretary of State in Washington has received reports which would seem to indicate that this prohibition was imposed at the desire of His Majesty's Government, and that its purpose is to provide a non-competitive market in Australia for the products of the British subsidized dyestuff industry.

It would appear that, as this prohibition was only imposed after the signing of the Armistice and under the authority conferred on the Governor-General in Council by section 52 (g) of the Customs Act to Prohibit the Importation of Goods by Proclamation, this prohibition is neither a war measure nor a temporary prohibition intended to meet the difficulties in connection with the exchange situation, and to cover merely the period of rehabilitation of industries, which is evidently the general purpose of the import restrictions imposed by European belligerents. It is understood that the prohibition referred to may, according to Australian laws, be maintained indefinitely without any further legislative action.

Mr. Davis ventures to call to Lord Curzon's attention the fact that, without indulging in any comment on the subject of Imperial Preference, the United States Government feels that there is a distinct difference between a system of Imperial Preference within the British Empire which permits goods from other countries to enter, although at higher tariff rates, and a total prohibition of the character imposed by the Proclamation of the Australian Governor-General; and that it trusts that the latter will not be maintained and thus keep American dyestuffs out of the Australian market.

In view of these circumstances Mr. Davis has the honour to inform Lord Curzon that the United States Government would be glad to be furnished with the early assurances of His Majesty's Government that such a prohibition is not intended, and that licences will be granted for American products, even although they compete with Great Britain in regard to dyestuffs, as well as all available information concerning the purpose of the prohibition and its probable duration.

London, 25th June, 1919.

Enclosure 2 in No. 180.

(No. 112883/C/145.)

YOUR EXCELLENCY,

Foreign Office, S.W.1, 21st August, 1919.

In your Note No. 441, of 25th June last, Your Excellency informed me that the United States Government had noted with some concern the issue by the Government of Australia, on 27th February last, of a prohibition upon the importation of dyestuffs, except of British origin, without a special permit from the Ministry of Trade and Customs; and you requested information with regard to the scope and intention of this measure.

2. In reply, I have the honour to recall to Your Excellency that at the Imperial War Conference, 1918, it was resolved that the Governments of the Empire should consider immediately what steps could be taken to co-operate with the efforts of His Majesty's Government to promote the successful development of the dye industry in the British Empire and so avoid enemy domination over this essential industry. The proceedings of the Conference were published in Parliamentary Paper [Cd. 9177] and Your Excellency will find the text of the Resolution on page 5 of that paper, and the discussion leading up thereto on pages 96 to 104. The action taken by the Australian Government is in pursuance of that Resolution and is strictly comparable with that of His Majesty's Government, who have prohibited, except under licence, the importation of all dyestuffs which are not the *bona fide* produce of the British Empire.

3. I have the honour to add that the question of the conditions under which foreign dyes can be admitted into Australia is now under consideration.

I have, etc.

(FOR EARL CURZON OF KEDLESTON.)

His Excellency

The Honourable

John W. Davis,

etc. etc., etc.

60105

No. 181.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 20th October, 1919.)

[Answered by No. 183.]

(No. 166.)

MY LORD,

Government House, Wellington, 6th September, 1919.

With reference to Your Lordship's despatch No. 111, of the 26th June,* on the subject of the exportation of dyestuffs from the United Kingdom to New Zealand, I have the honour to invite reference to my despatch No. 96, of the 6th of June,† enclosing a statement giving particulars of the estimated dye requirements of the various woollen mills of this Dominion.

I have, &c.,

LIVERPOOL.

Governor-General.

62390

No. 182.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 816.)

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 8th November, 1919.

With reference to my despatch Dominions No. 504, of the 26th June,‡ I have the honour to transmit to [Your Excellency.] [you,] for the information of your Ministers, a copy of an extract from *The Board of Trade Journal* of the 11th September,§ relative to the importation of dyestuffs into British India.

2. It has been ascertained from the Government of India that dyes and dyestuffs of British Empire origin are being freely admitted into India.

I have, &c.,

MILNER.

Enclosure in No. 182.

"THE BOARD OF TRADE JOURNAL," 11TH SEPTEMBER, 1919.¶

British India.—Prohibited Importation of Dyestuffs.

THE Board of Trade are in receipt, through the India Office, of the following announcement relative to the importation into British India of dyestuffs, etc., viz.:—

The Government of India have prohibited, with effect from the 6th September, the import into India, except under licence, of—

All derivatives of coal tar, generally known as intermediate products, capable of being used or adapted for use as dyestuffs, or of being modified or further manufactured into dyestuffs.

All direct cotton colours, all union colours, all acid wool colours, all chrome and mordant colours, all alizarine colours, all basic colours, all sulphide colours, all vat colours (including synthetic indigo), all oil, spirit, and wax colours, all lake colours, and any other synthetic colours, dyes, stains, colour acids, colour bases, colour lakes, leuco acids, leuco bases, whether in paste, powder, solution, or any other form.

Consignments shipped on or before the 6th September will be freely admitted.

Applications for import licences should be addressed to the Collector of Customs at the port through which it is desired to import the goods.

It is understood that licences will always be obtainable for dyestuffs and intermediate products manufactured in the United Kingdom.

* No. 175.

† No. 179.

‡ No. 176.

§ No. 1180, pages 345-6.

63143

No. 183.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 200.)

MY LORD,

Downing Street, 19th November, 1919.

With reference to Your Excellency's despatch No. 166, of the 6th September,* I have the honour to request you to inform your Ministers that the Board of Trade state that, while in some cases the particulars of the estimated dyestuffs requirements of New Zealand, supplied in your despatch No. 96, of the 6th June,† are not sufficiently definite to enable an accurate estimate to be formed of the extent to which it will be possible to meet these requirements from the United Kingdom, it would appear to be possible, except in the case of a small number of special dyestuffs, the supply of which is at present limited, to meet substantially the demands specified therein.

I have, &c.,

MILNER.

551

No. 184.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa

(Newfoundland.

Dominions No. 29.)

[MY LORD DUKE.] [MY LORD.] [SIR.]

Downing Street, 15th January, 1921.

With reference to my despatch Dominions No. 296, of the 24th April, 1919,‡ I have the honour to transmit to [Your Royal Highness.] [Your Excellency.] [you,] for the information of your Ministers, a copy of an Act entitled the Dyestuffs (Import Regulation) Act, 1920 (10 and 11 Geo. V, ch. 77).

I have, &c.,

MILNER.

* No. 181.

† No. 179.

‡ No. 173.

665

RESOLUTION XI.: SHIPPING.

The Conference accepts in principle the establishment of an Imperial Investigation Board and refers it to a Committee of the Conference to frame a detailed scheme for such a Board.

The Conference agrees that it be also referred to the Committee to consider the best machinery for promoting the development of Imperial communications to the best advantage, with special reference to the probable size of vessels and the consequent demands upon harbour accommodation for the purposes of Imperial requirements, and to the Resolution handed in by the Prime Minister of New Zealand.

RESOLUTION XXIV.: SHIPPING.

(1) That in order to maintain satisfactorily the connexions, and at the same time encourage commercial and industrial relations, between the different countries of the British Empire, this Conference is of opinion that shipping on the principal routes, especially between the heart of the Empire and the Overseas Dominions, including India, should be brought under review by an Inter-Imperial Board on which the United Kingdom and the British Dominions and Dependencies should be represented.

(2) That for this purpose an Imperial Investigation Board, representing the various parts of the Empire, be appointed, with power to inquire into and report on all matters connected with ocean freights and facilities, and on all matters connected with the development and improvement of the sea communications between the different parts of the Empire, with special reference to the size and type of ships, and the capacities of harbours; the Board to include, in addition to representatives of the Governments concerned, persons with expert knowledge of the problems involved, including representatives of the shipping and trading interests.

(See pages 196 and 197 of Dominions No. 61 and page 254 of this volume.)

7297

No. 185.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 3rd February, 1919.)

[Answered by No. 210.]

(No. 5.)

SIR,

Government House, St. John's, 14th January, 1919.

I HAVE the honour to acknowledge the receipt of your despatch Dominions No. 703, of the 9th December,* with reference to the proposals of His Majesty's Government for the constitution of an Imperial Investigation Board.

2. I have laid this despatch before my Ministers, who request me to inform you that Sir Edgar Bowring, High Commissioner for Newfoundland, should be their representative on the Board. They have written to the Prime Minister of Newfoundland, independently, asking him to intimate to Sir Edgar Bowring the confirmation of his appointment by the Executive Government.

I have, &c.,

ALEXANDER HARRIS.

* No. 271 in Dominions No. 61.

25457

No. 186.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 28th April, 1919.)

[Answered by No. 207.]

(No. 62.)

Commonwealth of Australia, Governor-General's Office,

My Lord, Melbourne, 6th March, 1919.

REFERRING to your despatch No. 703, dated the 9th December last,* on the subject of an Imperial Investigation Board, I have the honour, at the instance of the Acting Prime Minister, to inform you that the Commonwealth Government concurs in the proposal submitted, and nominates Mr. H. B. G. Larkin, General Manager, Commonwealth Government Line of Steamers, London, as its representative on the Board.

I have, &c.,
R. M. FERGUSON,
Governor-General.

29795

No. 187.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 1.35 p.m., 23rd May, 1919.)

TELEGRAM.

[Answered by Nos. 188, 189, 191, 193, and 196.]

(Canada.)

(New Zealand.)

(Union of South Africa.)

23RD MAY, 1919. My despatch 9th December, No. 703 Dominions.* Proposed Imperial Investigation Board. Would be glad to learn as early as possible your Ministers' views.—MILNER.

31352

No. 188.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 26th May, 1919.)

(No. 64.)

My Lord, Government House, Wellington, 9th April, 1919.

WITH reference to your predecessor's despatch Dominions No. 703, of the 9th December, 1918,* regarding the constitution of an Imperial Investigation Board, I have the honour to inform Your Lordship that this matter has been referred by telegraph to the Prime Minister of New Zealand, who is at present in London, with the suggestion that he should deal with the matter direct with the Colonial Office. I have no doubt that this has already been done.

I have, &c.,
LIVERPOOL,
Governor-General.

* No. 271 in Dominions No. 61.

31630

No. 189.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2.35 p.m., 26th May, 1919.)

TELEGRAM.

WITH reference to your telegram 23rd May,* Imperial Investigation Board. Am advised that matter was referred to Mr. Massey by telegraph some weeks ago, with suggestions that he should deal with subject direct with Colonial Office.—LIVERPOOL.

31352

No. 190.

NEW ZEALAND.

COLONIAL OFFICE TO THE RIGHT HONOURABLE W. F. MASSEY
(PRIME MINISTER).

[Answered by No. 192.]

DEAR MR. MASSEY,

Downing Street, 28th May, 1919.

I ENCLOSE a print of a despatch† which was sent by Mr. Long to the Dominions, forwarding copies of a memorandum embodying the proposals of His Majesty's Government for the constitution of an Imperial Investigation Board. Lord Milner learns from the Governor-General that the matter, so far as New Zealand is concerned, is in your hands. Will you kindly let the Secretary of State have a statement of your views?

Yours, &c.,
G. V. FIDDES.

32044

No. 191.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 2.10 a.m., 28th May, 1919.)

TELEGRAM.

27TH MAY. Your despatch 9th December, Dominions 703.† Government of Canada approve proposal to establish Imperial Investigation Board. Minute of Council, 26th May, recommending name of Sir G. H. Perley, K.C.M.G., High Commissioner for Canada, to represent Dominion. Despatch‡ follows by mail.—DEVONSHIRE.

33740

No. 192.

NEW ZEALAND.

THE RIGHT HONOURABLE W. F. MASSEY (PRIME MINISTER) TO
COLONIAL OFFICE.

(Received 5th June, 1919.)

Prime Minister's Office,

DEAR SIR GEORGE,

Hotel Majestic, Paris, 30th May, 1919.

I AM in receipt of your letter of the 28th May,§ enclosing a copy of a despatch† sent to the Dominions, embodying the proposals of His Majesty's Government for the constitution of an Imperial Investigation Board. In reply, I have to say that the proposals have my entire approval, and I am very glad to see that action is being taken in this important matter.

* No. 187.

† No. 271 in Dominions No. 61.

‡ No. 194.

§ No. 190.

You will probably remember that I moved the resolution at the Imperial War Conference last year upon which the present action has largely been taken, and my views are set out at length in the reports of the Conference proceedings dealing with this subject.

Believe me, &c.,

W. F. MASSEY.

33738

No. 193.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 4.10 a.m., 5th June, 1919.)

TELEGRAM.

4TH JUNE. Your despatch 9th December, No. 703, Dominions,* respecting proposed Imperial Investigation Board. Since receipt of this despatch my Prime Minister, while in Paris, put forward proposal for control of ocean freight rates and disposition of available shipping. Proposal was embodied in memorandum† transmitted to Mr. Lloyd George in letter of 15th May, and circulated at the same time to Prime Ministers of other Dominions; there was, in the circumstances, but little time or opportunity for discussion. As soon as Mr. Lloyd George and his Government are prepared to discuss this proposal further Government of Canada will be glad to join in discussion, and they consider that further consideration of proposal submitted in your despatch under reply had better be postponed until that time.—DEVONSHIRE.

34371

No. 194.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 9th June, 1919.)

(No. 468.)

MY LORD, Government House, Ottawa, 31st May, 1919.

With reference to my telegram of the 27th instant,‡ regarding the creation of an Imperial Investigation Board to deal with questions relating to maritime transport, I have the honour to transmit, herewith, copy of a letter and enclosure from the Department of the Secretary of State for External Affairs, upon which that telegram was based.

I have, &c.,

DEVONSHIRE.

Enclosure in No. 194.

DEPARTMENT OF EXTERNAL AFFAIRS TO GOVERNOR-GENERAL'S SECRETARY.

SIR, Ottawa, 27th May, 1919.

With reference to a despatch from the Secretary of State for the Colonies to the Governor-General, dated the 9th December, 1918,* relative to the creation of an Imperial Investigation Board to deal with questions relating to maritime transport, I have the honour to represent that the Canadian Government approve of the proposal to establish such a Board, and they recommend that the name of Sir George Perley, K.C.M.G., High Commissioner for Canada in London, be submitted for appointment to represent the Dominion of Canada on this Board. I understand that this recommendation is embodied in a minute of the Privy Council approved by His Excellency the Governor-General on the 26th instant.

* No. 271 in Dominions No. 61. † Enclosure in No. 190. ‡ No. 191.

I am to request that His Excellency may be humbly moved to cause the Secretary of State for the Colonies to be informed, by telegraph, in the above sense.

I have, &c.,

JOSEPH POPE,

Under-Secretary of State for External Affairs.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 26TH MAY, 1919.

(P.C. 1091.)

Privy Council, Canada.

THE Committee of the Privy Council have had before them a report, dated 16th May, 1919, from the Acting Secretary of State for External Affairs, to whom was referred a despatch from the Secretary of State for the Colonies to the Governor-General, dated 9th December, 1918, relative to the creation of an Imperial Investigation Board to deal with questions relating to maritime transport and to the development of the sea communications of the Empire.

The Minister represents, with the concurrence of the Minister of Marine and Fisheries, that the Canadian Government approve of the proposal to establish such a Board.

The Minister recommends that the name of the Honourable Sir George Perley, K.C.M.G., High Commissioner for Canada in London, be submitted for appointment to represent the Dominion of Canada on this Board.

The Committee, concurring, recommend that Your Excellency may be pleased to forward copy hereof to the Right Honourable the Secretary of State for the Colonies, for the information of His Majesty's Government.

All which is respectfully submitted for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

40479

No. 195.

EXTRACT FROM THE DEBATES OF THE CANADIAN HOUSE OF COMMONS, 11TH JUNE, 1919.

IMPERIAL BOARD OF INVESTIGATION.

STATEMENT BY PRIME MINISTER OF CANADA, ON 11TH JUNE, IN REPLY TO MR. J. E. ARMSTRONG.

ON the orders of the day :

RIGHT HONOURABLE SIR ROBERT BORDEN (Prime Minister): On the 9th of June, the Honourable Member for East Lambton (Mr. Armstrong) asked the following question, which will be found in Hansard of that date:—

MR. J. E. ARMSTRONG (East Lambton): I should like to ask the Government whether it is true that the Imperial Government has appointed an Imperial Board of Investigation for the purpose of inquiring into trade relations between different parts of the British Empire; whether Sir George Perley has been appointed a member of that Board, and when the findings of the Board, if such has been appointed, may be expected. I should also like to know whether the Board will inquire into trade or tariff agreements, and into the tolls or arrangements entered into between the different shipping companies within the Empire.

In answer to this question, I would say that :

(1) No such Board has yet been constituted; but the Government have under consideration certain proposals, submitted by His Majesty's Government, for the constitution of an Imperial Investigation Board, to be set up by the Governments of the Empire, in pursuance of Resolutions XI. and XXIV.* of the Imperial War Conference, 1918. It is proposed that the Board shall have power to inquire into complaints with regard to ocean freights, facilities, and conditions in the inter-Imperial trade, and into similar questions referred to them by the various Governments; to survey the facilities for maritime transport within the Empire, and to make recommendations for the co-ordination and improvement of such facilities.

* Pages xiv. and xvii. in Dominions No. 60.

(2) Such a Board not having been finally constituted, no definite appointment has yet been made.

(3) Answered by paragraph 1.

(4) Since the receipt of the proposals mentioned in paragraph 1 a proposal has been put forward to the Imperial Government, by the Prime Minister of Canada, on behalf of the Government of Canada, that full power as to the control of ocean rates and the disposition of the shipping of the British Empire be conferred by concurrent legislation upon a temporary commission, representative of the United Kingdom and the Dominions; and that a committee, representative of the United Kingdom and the Dominions, shall be immediately set up for the purpose of framing a permanent scheme for the same purpose, and for the general development of ocean transportation within the Empire. The Prime Minister has further suggested that this proposal be considered in connexion with that described in paragraph 1, and has declared that the Government of Canada will be glad to join in the discussion as soon as the Government of the United Kingdom is prepared to consider the matter.

38076

No. 196.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 10.13 p.m., 26th June, 1919.)

TELEGRAM.

[Answered by No. 209.]

20TH JUNE. Your despatch, 9th December, No. 703,* Imperial Investigation Board. Government of Union of South Africa propose to nominate Bowden, Superintendent of Stores and Shipping, High Commissioner's Office, London, as its representative.—BUXTON.

42085

No. 197.

MEMORANDUM AS TO SEA COMMUNICATIONS, BY THE RIGHT HONOURABLE W. M. HUGHES, PRIME MINISTER OF THE COMMONWEALTH OF AUSTRALIA.

The scattered nature of the Empire and the great distances of the Oversea Dominions from one another and from England make the question of sea communications all important.

This is especially the case at the present moment, when, after four years' disorganization of trade and traffic and the catastrophic changes in Europe, the world's trade has now to be built up again, and the directions of its development will be vitally affected by the shipping facilities which are available.

Apart from questions of trade, rapidity of transit and frequent opportunities of quick access are of immense importance to the development of Imperial sentiment and interests.

The present methods of communication are unsatisfactory and out of date; and the problem as a whole needs to be dealt with, not piecemeal, but systematically.

What we should aim at is a system of services of fast mail and passenger boats, able to keep up a speed of twenty-five knots, along the main Empire routes: from England to Vancouver, from Vancouver to Australia and New Zealand; from Australia, via both Suez and the Cape to England. Such a service would bring the Empire closer together, solidify its interests, and greatly facilitate the growth of Empire trade; besides affording much-needed opportunities for emigration to the roomy Dominions overseas. It would, for instance, bring Fremantle within eighteen days' journey of London, South Africa within eight days of Australia, and Vancouver within twelve days of Sydney.

* No. 271 in Dominions No. 61.

Ships of this class would in time of war be of great value as merchant cruisers. It is clear, however, that the great fleet of up-to-date steamships required for this purpose is not a purely commercial proposition. Its establishment will require substantial subsidies. It is an Imperial project, and the only hope for its inauguration lies in the financial backing of the Empire—each part of the Empire contributing its quota according to a fixed scale. And attention may be directed to the fact that at the Imperial Conference of 1907 the principle of this project received the support of the present Prime Minister of Great Britain.

Supplementary to this, consideration should also be given to the establishment of aerial services, for mails and passengers, for further linking up the remote parts of the Empire; and this, too, can only be introduced on an adequate scale, if strongly backed by Imperial resources.

W. M. HUGHES.

Australia House,
London,
2nd July, 1919.

41955

No. 198.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 5.50 p.m., 16th July, 1919.)

TELEGRAM.

[Answered by No. 200.]

(Paraphrase.)

16TH JULY. I trust that your Government will consent to nominate a representative to a Committee which Mr. Lloyd George desires to set up at once, consisting of representatives of the Home Government and of the Dominions expert in commercial and shipping matters, to consider the whole question of and advise as to the steps necessary to improve Imperial sea communications. Dominion Ministers have repeatedly urged upon us lately the unsatisfactory nature of the present position. It has been raised on several occasions by Sir Robert Borden, and more recently by Mr. Hughes in a memorandum* which he wished the Imperial Cabinet to discuss, but this proved impracticable, as Sir Robert Borden and Mr. Massey had left, and Mr. Lloyd George was obliged to take a rest. The suggestion of a Committee was, however, cordially approved by Mr. Hughes, who has provisionally named Mr. Larkin, the manager of the Commonwealth fleet of merchant ships, as Australian representative. Similar invitations will be addressed to South Africa and New Zealand. It is hoped that at a very early date Committee may begin its labours.—MILNER.

42083

No. 199.

CANADA.

CANADIAN MISSION IN LONDON TO COLONIAL OFFICE.

(Received 18th July, 1919.)

Canadian Mission in London,
1, Regent Street, London, S.W.1., 17th July, 1919.

MY LORD,
I AM directed by Mr. Lloyd Harris to transmit to you, and request your consideration of, the enclosed memorandum respecting necessary control of ocean freight rates and the disposition of available shipping, which was prepared by Sir Robert Borden and by him transmitted to, and discussed with, the Prime Minister and the Lord Privy Seal.

I am, &c.,
CHARLES ARMSTRONG,
Captain.

* No. 197.

Enclosure in No. 199.

MEMORANDUM RESPECTING NECESSARY CONTROL OF OCEAN FREIGHT RATES AND THE DISPOSITION OF AVAILABLE SHIPPING.

1. As transportation between different portions of the British Empire must be carried on almost wholly by means of shipping, the control of ocean freight rates and a just disposition of available shipping in the interests of the whole Empire are vitally necessary.

2. Subject to the qualifications hereafter mentioned, there is no such control of rates or satisfactory regulations of the disposition of shipping.

3. Whatever control of rates is presently exercised must be regarded as ineffective; and any such control is wholly under the direction of the British Ministry of Shipping.

4. The disposition and user of available shipping is subject to control, which has been assumed by the British Ministry of Shipping.

5. The Government of Canada is strongly impressed with the view that this condition is not sound; that the policy and methods hitherto pursued have not been characterized in some respects by wise or comprehensive outlook, and that the future relations of the British Empire depend very materially upon the immediate remedy of existing conditions.

6. In its broadest aspects the question thus presented must necessarily demand attentive, and perhaps prolonged, consideration for its permanent solution; but a temporary solution is urgently important, as beyond question the present situation has become critical, and if uncontrolled it will probably lead to unfortunate and perhaps disastrous results. The following proposals, therefore, present suggestions; first, for a temporary solution, and, second, for such consideration of the problem in its larger aspects as may result in a permanent solution.

7. Temporary solution: It is proposed that full power as to the control of ocean rates and as to the disposition and user of British Shipping now available, wherever owned or registered within the Empire, shall be conferred upon a Commission on which the United Kingdom shall have two representatives, and each of the Dominions (including India) shall have one representative. The United Kingdom and each such Dominion shall undertake to enact such legislation as would give to the orders and regulations formulated by the Commission the force of law in all parts of the Empire.

8. Permanent proposal: Attention is called to Resolution XXI. of the Imperial War Conference, 1917, which is as follows: "Imperial Preference: The time has arrived when all possible encouragement should be given to the development of Imperial resources, and especially to making the Empire independent of other countries in respect of food supplies, raw materials, and essential industries. With these objects in view this Conference expresses itself in favour of (1) The principle that each part of the Empire, having due regard to the interests of our Allies, shall give specially favourable treatment and facilities to the produce and manufactures of other parts of the Empire. (2) Arrangements by which intending emigrants from the United Kingdom may be induced to settle in countries under the British flag."

The Report of the Royal Commission on Natural Resources presented to the Parliament of the United Kingdom, in March, 1917, should also be considered in so far as it relates to the operations of steamship companies carrying passengers and freight between different parts of the Empire.

Having regard to the principles upon which the above-mentioned resolution of the Imperial War Conference was based, and to the interpretation which was given to it by the speech of the Prime Minister of the United Kingdom shortly after its passage, it is proposed that a Committee composed of representatives of the Government of the United Kingdom and of the Governments of each of the Dominions (including India) should be immediately set up for the purpose of framing a scheme which shall embrace (a) all that is included in the temporary proposals above mentioned, (b) the effective carrying out of the policy upon which Resolution XXI. above mentioned, was based, (c) the establishment of a permanent commission representing all parts of the Empire, which shall be invested with wide powers relative to transportation upon the ocean. Such powers should, as far as possible, be similar or analogous to those which have been conferred in Canada and in other Dominions upon permanent commissions charged with the supervision and control of railway and steamship rates, and of the methods and conditions of operation.

45170

No. 200.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.30 a.m., 3rd August, 1919.)

TELEGRAM.

[Answered by No. 201.]

(Paraphrase.)

2ND AUGUST. With reference to your telegram dated the 16th July,* regarding Imperial sea communications. Canadian Government agrees to expediency of appointing Committee, and have nominated as their representative the Honourable A. K. MacLean.—DEVONSHIRE.

56289

No. 201.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL

(Sent 5.0 p.m., 11th October, 1919.)

TELEGRAM.

[Answered by Nos. 205 and 211.]

11TH OCTOBER. Referring to my telegram of 16th July, and your telegram of 2nd August,† His Majesty's Government greatly regret that owing to urgent pressure of other public business it was impossible to arrange for establishment of Committee on Imperial Sea Communications before return of MacLean to Canada. They hope, however, to call Committee together in the immediate future, and would like to know whether Canadian Government would wish MacLean to return or would prefer to nominate another representative.

As regards terms of reference, following proposed:—

Begins:

(1) *Freights, Facilities and Conditions of Transport.*—To inquire into complaints from persons and bodies interested with regard to ocean freights, facilities and conditions in the Inter-Imperial trade or questions of a similar nature referred to them by any of the nominating authorities, and to report their conclusions to the Governments concerned.

(2) *Imperial Communications.*—To survey the facilities for maritime transport on such routes as appear to them to be necessary for trade within the Empire, and to make recommendations to the proper authority for the co-ordination and improvement of such facilities with regard to the type, size and speed of ships, depth of water in docks or channels, construction of harbour works and similar matters.—*Ends.*

It will be seen that terms of reference correspond to those proposed for Imperial Investigation Board, see my predecessor's despatch 9th December. Dominions No. 703, and your telegram of 27th May.‡ The Committee will, however, be competent to consider schemes such as that in memorandum§ handed by your Prime Minister to Mr. Lloyd George in May last. It will, no doubt, depend on Committee's report what permanent machinery for Imperial co-operation with regard to Sea Communications will be eventually set up.

Composition of committee would be as contemplated for Imperial Investigation Board, except that proposed to have independent Chairman nominated by Cabinet here, and to increase number of unofficial members from four to five. All appointments would be, of course, solely for duration of committee.

To avoid confusion with an already existing Communications Committee here, which deals with cables and wireless, proposed to call new committee, "Imperial Shipping Committee."

Hoped that your Ministers will agree to above proposals. Please reply by telegraph, and give name of Canadian representative.—MILNER.

* No. 198.

† Nos. 198 and 200.

‡ Nos. 271 in Dominions No. 61 and 191 in this Volume.

§ Enclosure in No. 199.

60113

No. 202.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.0 a.m., 20th October, 1919.)

TELEGRAM.

[Answered by No. 206.]

20TH OCTOBER. Prime Minister would be glad to learn as early as possible whether Imperial Government are proceeding with any scheme for controlling shipping services between Great Britain and the Oversea Dominions, and, if so, what progress has been made. Prime Minister adds that this question is looked upon in New Zealand as one of great importance.—LIVERPOOL.

60150

No. 203.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.25 p.m., 29th October, 1919.)

TELEGRAM.

[Answered by No. 205.]

29TH OCTOBER. When may I expect reply to my telegram of 11th October,* Imperial Shipping Committee?—MILNER.

60150

No. 204.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.50 p.m., 18th November, 1919.)

TELEGRAM.

[Answered by No. 205.]

18TH NOVEMBER. My telegrams of the 11th October and 29th October,† Imperial Shipping Committee. Anxious for reply.—MILNER.

66363

No. 205.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 10.42 a.m., 20th November, 1919.)

TELEGRAM.

[Answered by No. 219.]

19TH NOVEMBER. With reference to your telegram 18th November,‡ Imperial Shipping Committee. My Ministers represent that it is not intended that the Honourable A. K. MacLean should return to London for purpose of attending meetings, but Sir G. H. Perley, High Commissioner for Canada, has been appointed to represent Government of Canada. Despatch follows by mail.—DEVONSHIRE.

* No. 201. † Nos. 201 and 203. ‡ No. 204.

66363

No. 206.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 1.45 p.m., 27th November, 1919.)

TELEGRAM.

[Answered by Nos. 212, 213, 215, and 218.]

(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

27TH NOVEMBER. Referring to my despatch of 9th December, Dominions No. 703,* His Majesty's Government greatly regret that owing to urgent pressure of other public business it has been impossible hitherto to complete arrangements for establishment of body to deal with question of Imperial sea communications.

Now proposed to slightly vary proposals for Imperial Investigation Board contained in despatch referred to, as follows:—

(1) Body to be called Imperial Shipping Committee.

(2) Composition to be as contemplated for Investigation Board except that proposed to have independent Chairman nominated by Cabinet here and to increase number of unofficial members from four to five. Appointments to be for duration of Committee. Sir Albert Stanley, formerly President of the Board of Trade, has agreed to act as Chairman.

(3) Terms of reference to correspond to those proposed for Investigation Board, but it is intended that establishment of permanent machinery for Imperial co-operation with regard to sea communications should await report of Committee.

Presume that your Ministers will see no objection to alterations proposed. Please telegraph reply, as hoped to call Committee together in the immediate future.—MILNER.

66363

No. 207.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 1.45 p.m., 27th November, 1919.)

TELEGRAM.

[Answered by No. 213.]

27TH NOVEMBER. With reference to my telegram of 27th November,† sea communications. Presume that nomination of Larkin, see your despatch of 6th March, No. 62,‡ will stand for Shipping Committee.—MILNER.

66363

No. 208.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 1.45 p.m., 27th November, 1919.)

TELEGRAM.

[Answered by No. 218.]

27TH NOVEMBER. Referring to my telegram of 27th November,† sea communications. Should be glad if your Ministers would select representative of New Zealand forthwith. See your despatch of 9th April, No. 64, and your telegram of 26th May.§ Massey concurred in original proposals, but did not nominate representative before leaving. My telegram of 27th November is reply to your telegram of 20th October.||—MILNER.

* No. 271 in Dominions No. 61. † No. 206. ‡ No. 180. § Nos. 188 and 189. || No. 202.

66363

No. 209.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 1.45 p.m., 27th November, 1919.)

TELEGRAM.

[Answered by No. 214.]

27TH NOVEMBER. My telegram of 27th November,* sea communications. Presume that nomination of Bowden, see your telegram of 20th June,† will stand for Shipping Committee.—MILNER.

66363

No. 210.

NEWFOUNDLAND.

THE SECRETARY OF STATE to THE GOVERNOR.

(Sent 1.45 p.m., 27th November, 1919.)

TELEGRAM.

[Answered by No. 212.]

27TH NOVEMBER. Reference to my telegram of 27th November,* sea communications. Presume that nomination of Bowring, see your despatch of 14th January, No. 5,‡ will stand for Shipping Committee.—MILNER.

68703

No. 211.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2nd December, 1919.)

(No. 847.)

MY LORD, Government House, Ottawa, 21st November, 1919.

WITH reference to your telegram of the 11th October,§ respecting Imperial sea communications, I have the honour to transmit, herewith, copies of an approved minute of the Privy Council for Canada, appointing the Honourable Sir George Perley as Canadian representative on the aforesaid Committee.

I have, &c.,

DEVONSHIRE.

Enclosure in No. 211.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 15TH NOVEMBER, 1919.

(P.C. 2284.)

THE Committee of the Privy Council have had before them a report, dated 31st October, 1919, from the Acting Secretary of State for External Affairs, to whom was referred a telegraphic despatch, dated 11th October, 1919, from the Secretary of State for the Colonies, on the subject of the establishment of a Committee on Imperial sea communications.

THE Minister represents that it is not intended that the Honourable A. K. MacLean shall return to London for the purpose of attending meetings of this Committee.

* No. 206. † No. 196. ‡ No. 185. § No. 201.

THE Minister recommends that the Honourable Sir George Perley, K.C.M.G., High Commissioner for Canada in London, be appointed to represent the Canadian Government on the aforesaid Committee.

THE Committee concur in the foregoing, and, on the recommendation of the Acting Secretary of State for External Affairs, advise that Your Excellency may be pleased to transmit a copy hereof, if approved, to the Secretary of State for the Colonies for the information of His Majesty's Government.

All of which is respectfully submitted for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

69118

No. 212.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 9.15 p.m., 3rd December, 1919.)

TELEGRAM.

3RD DECEMBER. Your telegrams 27th November,* Imperial Sea Communications. My Ministers have no objection to proposed alteration. Appointment of Bowring stands.—HARRIS.

69115

No. 213.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.30 a.m., 4th December, 1919.)

TELEGRAM.

3RD DECEMBER. Your telegram 27th November,† Imperial Shipping Committee. Government of Commonwealth of Australia concur in alteration proposed. Nomination of Larkin will stand.—FERGUSON.

70305

No. 214.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.30 p.m., 10th December, 1919.)

TELEGRAM.

10TH DECEMBER. Your telegrams 27th November,‡ Nomination of Bowden will stand.—BUXTON.

71017

No. 215.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.4 p.m., 13th December, 1919.)

TELEGRAM.

8TH DECEMBER. With reference to your telegram 27th November,§ Imperial Shipping Committee. Ministers see no objection to alterations proposed and concur. I hope shortly to be able to reply to your telegram 27th November,‡ Bowden.—BUXTON.

* Nos. 206 and 210.

† Nos. 206 and 207.

‡ No. 209.

§ No. 208.

66363

No. 216.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 3.20 p.m., 23rd December, 1919.)

TELEGRAM.

[Answered by No. 218.]

My telegrams of 27th November,* Imperial Shipping Committee, anxious for reply.—FOR SECRETARY OF STATE.

66363

No. 217.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.0 p.m., 13th January, 1920.)

TELEGRAM.

[Answered by No. 218.]

My telegrams of 27th November, my telegram of 23rd December,† Imperial Shipping Committee. Should be grateful if you could expedite reply of New Zealand Government. All other Dominions have agreed to amend proposals, and announcement of Committee's appointment awaiting agreement of New Zealand and name of her nominee.—FOR THE SECRETARY OF STATE.

2939

No. 218.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.40 a.m., 17th January, 1920.)

TELEGRAM.

17TH JANUARY. Your telegrams 27th November.* Imperial Shipping Committee. My Government concur in amended proposals and nominate High Commissioner for New Zealand as their representative.—LIVERPOOL.

2989

No. 219.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 5.45 p.m., 9th February, 1920.)

TELEGRAM.

9TH FEBRUARY. Your telegram 19th November,‡ Imperial Shipping Committee. Amended proposals have now been accepted by the other Dominions. Sir A. Stanley (now Lord Ashfield) will be Chairman.—FOR THE SECRETARY OF STATE.

* Nos. 200 and 203. † Nos. 200, 203, and 216. ‡ No. 205.

21729

No. 220.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL and GOVERNOR.

(Sent 11.30 a.m., 4th May, 1920.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

4TH MAY. Imperial Shipping Committee. Lord Ashfield will not now be able to act as Chairman. Name of new Chairman will be telegraphed shortly. Proposed to appoint as unofficial members experienced in shipping and commerce, Sir Kenneth Anderson, Manager Orient Steam Navigation Company, President Chamber of Shipping, United Kingdom, 1915; Sir Alfred Booth, Chairman Cunard Steamship Company, Chairman Board of Trade Departmental Committee Shipping and Shipbuilding, 1918; W. L. Hitchens, Chairman Cammel Laird and Company; Kenneth Lee, member of firm Tootal Broadhurst Lee Company, Ltd., Manchester, cotton exporters; J. W. Murray, President Glasgow Chamber of Commerce.—MILNER.

22771

No. 221.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL and GOVERNOR.

(Sent 2.25 p.m., 8th May, 1920.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

8TH MAY. My telegram 4th May,* Imperial Shipping Committee. Sir H. J. Mackinder, M.P., has consented to act as Chairman.—MILNER.

30126

No. 222.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

} Dominions. No. 258.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 25th June, 1920.

WITH reference to my telegram of the 4th May,* I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, a copy of the Instrument of Appointment of the Imperial Shipping Committee, dated 15th June, 1920.

I have, &c.,

MILNER.

* No. 220.

Enclosure in No. 222.

INSTRUMENT OF APPOINTMENT OF THE IMPERIAL SHIPPING COMMITTEE.

WHEREAS the Imperial War Conference, 1918, passed on the 26th July, 1918, the following resolution:—

(1) That in order to maintain satisfactorily the connexions, and at the same time encourage commercial and industrial relations, between the different countries of the British Empire, this Conference is of opinion that shipping on the principal routes, especially between the heart of the Empire and the Overseas Dominions, including India, should be brought under review by an Inter-Imperial Board on which the United Kingdom and the British Dominions and Dependencies should be represented.

(2) That for this purpose an Imperial Investigation Board, representing the various parts of the Empire, be appointed, with power to inquire into and report on all matters connected with ocean freights and facilities, and on all matters connected with the development and improvement of the sea communications between the different parts of the Empire, with special reference to the size and type of ships, and the capacities of harbours; the Board to include, in addition to representatives of the Governments concerned, persons with expert knowledge of the problems involved, including representatives of the shipping and trading interests.

And whereas it has been represented to me, The Right Honourable David Lloyd George, Prime Minister and First Lord of the Treasury, by the Secretary of State for the Colonies after consultation with the Governments of the Dominion of Canada, of the Commonwealth of Australia, of the Dominion of New Zealand, of the Union of South Africa, and of Newfoundland, by the Secretary of State for India and by the President of the Board of Trade that it is now desirable that a Committee should be appointed under the title of the Imperial Shipping Committee with the following functions, viz.:—

(i) To inquire into complaints from persons and bodies interested with regard to ocean freights, facilities, and conditions in the inter-Imperial trade or questions of a similar nature referred to them by any of the nominating authorities, and to report their conclusions to the Governments concerned.

(ii) To survey the facilities for maritime transport on such routes as appear to them to be necessary for trade within the Empire, and to make recommendations to the proper authority for the co-ordination and improvement of such facilities with regard to the type, size, and speed of ships, depth of water in docks and channels, construction of harbour works and similar matters.

Now I, therefore, do hereby appoint the following persons to form the Imperial Shipping Committee and to exercise the functions hereinbefore set forth:—

Sir H. J. Mackinder, M.P. (Chairman)

Sir A. H. D. Ramsay Steel-Maitland, Bart., M.P., nominated by the Secretary of State for the Colonies.

Sir W. S. Meyer, G.C.I.E., K.C.S.I., nominated by the Secretary of State for India in Council.

Sir Hubert Llewellyn Smith, G.C.B., nominated by the Board of Trade.

Hon. Sir George H. Perley, K.C.M.G., nominated by the Government of the Dominion of Canada.

Mr. H. B. G. Larkin, nominated by the Government of the Commonwealth of Australia.

The High Commissioner for New Zealand, nominated by the Government of the Dominion of New Zealand.

Captain G. Bowden, M.C., nominated by the Government of the Union of South Africa.

Hon. Sir Edgar R. Bowring, nominated by the Government of Newfoundland.

Sir Kenneth Anderson, Bart., K.C.M.G.,

Sir Alfred Booth, Bart.,

Mr. W. Lionel Hitchens,

Mr. Kenneth Lee,

Mr. J. W. Murray.

being persons
experienced in shipping
and commerce.

I further appoint Mr. E. J. Elliot, of the Board of Trade, to be Secretary to the said Committee.

D. LLOYD GEORGE.

15th June, 1920.

48756

No. 223.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.	} Dominions. No. 444.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[My LORD DUKE,] [My LORD,] [SIR,] Downing Street, 18th October, 1920.

WITH reference to my despatch Dominions No. 258, of the 25th of June,* I have the honour to request [Your Excellency] [you] to inform your Ministers that, Sir A. Steel-Maitland having resigned his position as a member of the Imperial Shipping Committee, Sir Frederick Butler, K.C.M.G., C.B., of the Department of Overseas Trade, has been appointed in his place on my nomination.

I have, &c.,

MILNER.

Secretariat Note.—Copies of reports of the Imperial Shipping Committee were sent to the Dominions as under:—

First Report [Cmd. 1205] on the Limitation of Shipowners' Liability by clauses in Bills of Lading and on certain other matters relating to Bills of Lading, by despatch Dominions No. 138, 9th April, 1921. (15132/21.)

Second Report [Cmd. 1483] on the Functions and Constitution of a Permanent Imperial Body for Shipping Questions, by despatch Dominions No. 403, 27th September, 1921. (43955/21.)

Third Report [Cmd. 1486] on the Deferred Rebate System as obtaining in the Trade between the United Kingdom and Australia, by despatch Dominions No. 404, 27th September, 1921. (42917/21.)

The work of the Committee was also discussed at the Conference of Prime Ministers and representatives of the United Kingdom, the Dominions, and India. (See p. 7 of [Cmd. 1474] and page 254 of this volume.)

Sir Frederick Butler having resigned his position as a member of the Committee consequent upon transfer to the Foreign Office, the Secretary of State nominated Sir Gilbert Grindle, K.C.M.G., C.B., to serve on the Committee (Colonial Office letter of 8th July, 1922, on 23440/22).

* No. 222.

RESOLUTION XII.: INTER-IMPERIAL PARCELS DELIVERY.

The Conference considers it desirable, for the purpose of encouraging Imperial trade, that the present facilities for Inter-Imperial parcels delivery should be enlarged, improved, and co-ordinated, and recommends that the proposals contained in the Board of Trade memorandum should be examined by the Governments represented at the Conference with a view to the preparation of a detailed scheme designed to promote this object.

(See pages 198-200 of *Dominions No. 61.*)

35400

No. 224.

CANADA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 19th July, 1920.)

(No. 457.)

MY LORD,

Government House, Ottawa, 7th July, 1920.

With reference to your despatch *Dominions No. 67*, of the 31st January, 1918,* regarding a proposal for the establishment of a service throughout the Empire for the collection of trade charges on letter packets and parcels sent by post, I have the honour to inform you that there has been no change in this regard in so far as Canada is concerned since 1907—that is to say, there is no C.O.D. system in force in connexion with parcel post within the Dominion, and Canada is therefore not in a position at present to participate in such a service between the United Kingdom and Canada.

I have, &c.,
DEVONSHIRE.

53673

No. 225.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

} *Dominions No. 457.*)

[MY LORD.] [SIR,]

Downing Street, 10th November, 1921.

With reference to Resolution No. XII, and the discussion thereon, at the Imperial War Conference, 1918 ([Cd. 9177] pp. 112-113), I have the honour to transmit to [Your Royal Highness,] [Your Excellency,] [you,] to be laid before your Ministers, copies of a memorandum relating to proposals for an Imperial Heavy Parcels Post Scheme, with a covering note, which have been drawn up jointly by the Postmaster-General and the Board of Trade to define, as far as conditions at present permit, the nature of the scheme which His Majesty's Government would desire to see adopted.

2. I should be glad to receive the observations of your Ministers upon the proposals outlined in the memorandum.

3. Copies of the Board of Trade memorandum† on the subject, prepared for the 1918 Conference, are also enclosed.

I have, &c.,
WINSTON S. CHURCHILL.

* No. 272 in *Dominions No. 61.*

† Page 241 of [Cd. 9177.].

Enclosure in No. 225.

COVERING NOTE TO PROPOSALS FOR AN IMPERIAL HEAVY PARCELS POST SCHEME.

THE Imperial War Conference on the 11th of July, 1918, passed a resolution to the effect that the facilities for inter-Imperial parcels delivery should be enlarged, improved, and co-ordinated, and recommended that the proposals contained in a Board of Trade memorandum which had been submitted to the Conference should be examined by the Governments represented at the Conference with a view to the preparation of a detailed scheme.

The Board of Trade thereupon entered into communication with the Post Office with a view to the formulation of such a detailed scheme. Unfortunately, the uncertainty attending freights and railway rates and conditions has so far made it impossible to draw up any proposals more definite than those contained in the memorandum attached.

The determination of a suitable rate for the inland conveyance of heavy parcels depends on the issue of negotiations with the British railway companies, which are now proceeding, with regard to the rate for the carriage of ordinary inland parcels; and at the present time it is impracticable to pursue the question. Moreover, before a rate for sea conveyance can be settled, negotiations will have to be opened with a considerable number of steamship companies since the existing agreements cover parcels within the ordinary limit of 11 lb. only.

In order, however, to put the General Post Office in a better position to negotiate with the railway and shipping companies, and in pursuance of the resolution of July, 1918, His Majesty's Government desire to submit the matter in the present shape to the Governments of the Dominions and of India. His Majesty's Government will be very glad to consider any modifications of the scheme which the Oversea Governments may desire to propose, but they hope that the main principles, which closely resemble those already set out in the Board of Trade memorandum referred to in the resolution of the Imperial Conference of 1918, will be accepted.

MEMORANDUM.

Imperial Heavy Parcel Scheme.

1. The Postmaster-General is prepared to enter into an agreement with India and the Dominions and Colonies for the establishment of an exchange by post of parcels weighing more than 11 lb., the present maximum, but not more than 28 lb., distinct from and supplementing the existing services up to 11 lb. in weight.

2. It will be necessary, in order to keep down the charges to the users of the proposed service, for the Post Office to impose certain limitations on the facilities offered, as compared with those afforded in the existing service, e.g., the parcels over 11 lb. would not be delivered by the Post Office to the consignee's address, except at an additional charge; and the posting would have to be restricted to the head Post Offices in the largest towns. The sea service might also, in many cases, be performed by slower steamers than the fast mail boats.

3. *Charges.*—The postage rates on the parcels weighing more than 11 lb. would have to be made up as in the case of the smaller parcels of the amounts (a) paid for the sea conveyance, and (b) claimed by the terminal offices for their land services.

(a) *Sea Conveyance.*—It will be necessary for the Post Office to make separate arrangements with the steamship companies for the conveyance of such parcels, since the existing parcel post contracts provide only for the conveyance of parcels not exceeding 11 lb. The shipping companies would no doubt expect to be paid at rates which would yield an approximate equivalent of the commercial freight rate for the time being in force. The commercial freight rates (weight or measurement) for fine cargo were, during 1920, 100s. a ton to Canada, 100s. a ton to Bombay, and 125s. per ton to Australia and New Zealand, and in September, 1921, were 100s. a ton to Canada, 75s. a ton to Bombay, 125s. a ton to Australia, and 137s. 6d. a ton to New Zealand; and as parcel rates would be based on measurement, the rates to Australia and New Zealand would probably involve a payment of at least 400s. per ton weight of parcels. In view of the abnormal position of the freight market at the present time it is impossible to assume any freight rates on which could be based a reliable estimate of the future working cost of such a scheme.

Further, while it would be convenient and in accordance with the Board of Trade memorandum referred to in the resolution of the Imperial Conference, in pursuance of which this scheme has been drawn up, to fix a uniform scale of charges for all the Dominions, the above figures show, unfortunately, that there would be serious difficulty in arranging this unless some of the parties concerned can see their way to run the risk of incurring some loss upon the conveyance of these heavy parcels.

(b) *Rates for Land Services: (1) United Kingdom.*—This rate would have to cover the cost of handling the parcel in the Post Office, together with the cost of conveyance by rail in this country. The cost to the Post Office of handling can probably be fixed at a rate uniform for all parcels weighing between 11 lb. and 28 lb. The rates to be paid to the railway companies cannot be stated at present, but no serious difficulty is anticipated in fixing a suitable charge eventually.

(2) *Dominions and Colonies.*—The rates would clearly have to be fixed by the Dominions and Colonies themselves. The Imperial triple scale was fixed to accord to each Administration in respect of its territorial service credits of 4d., 8d., and 1s. at the three steps of the scale; but in practice some of the participating Governments required higher land rates and special arrangements, which in present conditions it would not be practicable to make, for any new service had to be made to meet their wishes. Owing, however, to variations in the cost of the sea conveyance of parcel mails to the various destinations within the Empire, the Imperial scale had by the end of 1920 disappeared in all but a few unimportant services. The higher territorial rates recently introduced by Great Britain and a number of the Dominions and Colonies have increased the differences between the postage rates fixed for the various Imperial parcel services; and the varying cost of territorial and sea services within the Empire may be expected to be reflected to an equal degree in the case of parcels weighing over 11 lb.

4. *Prepayment of Customs Duty.*—An arrangement is in force for the sender of a parcel for the Dominions (except Newfoundland) to undertake the payment of Customs duty charged in the country of destination. Briefly, the arrangement is for the sender to pay at the time of posting a fee of 6d., and a deposit at the rate of fifty per cent. of the declared value of the parcel. The office of destination claims the amount of the duty levied from the British Post Office, which subsequently settles with the sender. The facility is little used; partly, no doubt, because of the large amount of the deposit and the long time which must necessarily elapse before the ultimate settlement; but, mainly, in the Postmaster-General's opinion, because the Customs dues on trade articles naturally fall on the consignee, and it is therefore simpler for him to pay them directly to the Customs authorities who levy them. The existing system could be applied to parcels exceeding 11 lb. in the proposed service.

An alternative arrangement which would admit of pre-payment of Customs dues before despatch (both in the existing and in the proposed service) might be practicable if the Dominions were prepared to provide the necessary officials; they already have Customs investigating officers in this country. In that case the parcels could be examined at the outports for the assessment of duty, and released for despatch abroad when the amount of the duty was received from the senders.

The service could be supplemented by stationing Dominions Customs officers at other towns at which the amount of the traffic would warrant such a step, in order that they might examine the parcels locally and assess and receive the duty on them before the parcels were handed to the Post Office for despatch. (In any case Dominions Customs tariffs could be kept for reference at large offices, if the Dominion Governments would supply them and keep them corrected.)

5. It is understood that in the past considerable opposition to the extension of inter-Imperial parcels post facilities has been met with from oversea traders who feared that this would lead to increased competition from the Home Country. The usual experience, however, is that the provision of better transport facilities leads to a general development of trade; and it is to be borne in mind that the new Heavy Parcels Post would be available equally for the oversea trader to extend his connexions in the Home Country.

RESOLUTION XIII.: CENTRAL EMIGRATION AUTHORITY.

The Imperial War Conference reaffirms the principle laid down by Resolution XXI of the 1917 Conference, in favour of arrangements being made by which intending emigrants from the United Kingdom may be induced to settle in countries under the British Flag. It is of opinion that the representatives of the Oversea Dominions in the United Kingdom should keep in the closest touch with any new Body established by His Majesty's Government to supervise emigration from the United Kingdom. The Conference is of opinion that the appointment of a Consultative Committee, not to exceed ten members, on which representatives of the Oversea Dominions should sit, to advise any such Body, would afford the best means of co-operation.

(See page 69 of this volume.)

Secretariat Note.—Correspondence regarding Oversea Settlement is printed in Dominions No. 60.

RESOLUTION XIV: CABLE COMMUNICATIONS.

That it is in the highest interests of the Empire that the rates for telegraphic communications between the United Kingdom, Canada, Australia, South Africa, and India should be further materially reduced as soon as practicable. That in order to ensure generally the cheapest and most secure telegraphic communication between the United Kingdom, Canada, Australia, and New Zealand it is desirable that they should co-operate in the provision of a State-owned cable across the Atlantic.

(See pages 202-224 of *Dominions No. 61.*)

(1) General Correspondence as to Reduction of Rates.
South Africa and Australia.

3579

No. 226.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 227.]

(Confidential.)

MY LORD,

Downing Street, 10th February, 1919.

WITH reference to my predecessor's Confidential despatch of the 31st of December, 1918,* I have the honour to transmit to Your Excellency, for the information of your Ministers, the accompanying copy of a letter, with its enclosure, addressed by the Secretary of the Post Office to the Postmaster-General of the Union of South Africa, regarding the question of cable communication with South Africa, and the possibility of securing a reduction in cable rates when the existing agreements expire.

I have, &c.,

MILNER.

Enclosure in No. 226.

General Post Office, London, E.C.1.

15th January, 1919.

SIR,

I AM directed by the Postmaster-General to inform you that he duly received, and has read with much interest, your letter of the 20th of May, concerning the question of cable communication with South Africa, and the possibility of securing a reduction in cable rates when the existing agreements in connexion therewith expire on the 31st December, 1919.

2. As you are doubtless aware, the licences for the landing of the Eastern Telegraph Company's cables in the United Kingdom, and also numerous licences for the landing of their cables and those of the Associated Companies in British Dominions Overseas, expire on the 31st December, 1919. The question of the policy to be adopted on the expiration of these licences has recently been under the consideration of a standing Committee on Cable Communications (the Cables (Landing Rights) Committee), who have made certain recommendations on the subject, which are at present under the consideration of His Majesty's Government.

3. The Committee are of opinion that the renewal of the licences affords a suitable opportunity for securing from the Companies a general reduction of their rates; and they also recommend that a clause providing for the control of rates (which already appears in the more recent licences granted to the Companies) should be inserted in all the new licences. A copy of the standard "Control of Rates" clause is enclosed.

* No. 280 in *Dominions No. 61.*

4. In this connexion it may be mentioned that the Cable Companies generally have made largely increased profits during the War, owing principally to (a) the restriction on the use of code imposed by the censorship authorities, and (b) the large increase in the amount of Government and Press traffic. These increased profits have, however, been largely absorbed in the United Kingdom by the excess profits duty; and in any case the conditions of cable communication are at present so abnormal, and so little likely to afford a criterion of what may be expected after the War, that the Postmaster-General fears that there will be difficulty in pressing the companies for any large immediate reduction in their rates. They would no doubt urge, with some justice, that their current expenditure—including cost of operators, office expenses, maintenance of cable-ships, and cost of cables—has also risen greatly during the War; and that, while their traffic will decrease on the resumption of more normal conditions, their expenditure will not fall proportionately.

5. As regards the cable rates between South Africa and the United Kingdom, the Postmaster-General feels that there is great force in the arguments advanced in your letter for a material reduction. The comparison which you draw between the South African rate of 2s. 6d. and the Australian rate of 3s. would be still more striking if the terminal charges of the South African and Australian Administrations were excluded, the charge being 2s. 5d. to South Africa and only 2d. more—2s. 7d.—to Australia. Further, under the sliding scale arrangement in force in connexion with the Australian service, the rate to Australia is already due for reduction from 3s. to 2s. 6d. a word; though the application of the reduced rate has been postponed by the Australian Government until the cables are less pressed with traffic. When the reduced rate of 2s. 6d. is in operation to Australia it will, the Postmaster-General thinks, be almost impossible for the Companies to maintain the same rate to South Africa. Indeed, he has reason to think that they are already contemplating a reduction to 2s. Their main objection to such a reduction is, he believes, that it would probably be used as an argument for a reduction of the rates between the United Kingdom and the West African Colonies, in much the same way that the comparatively low Australasian rates are used in your letter as an argument for the reduction of the South African rate. The traffic with the West African Colonies is, however, so small that an argument based on mileage alone would be extremely fallacious.

6. Similarly, no doubt, the Company would maintain that a comparison between the Australasian and South African rates, or between the latter rates and those to India, cannot properly be made on a mileage basis alone. The traffic between the United Kingdom, Australasia, and India has of late years grown much more rapidly than that between the United Kingdom and South Africa, and has shown itself more responsive to reductions of rates; and these are no doubt circumstances which would have to be taken into account.

7. In all the circumstances, if the Company do not spontaneously propose a reduction of the South African rate in connexion with the reduction of the Australian rate, the Postmaster-General thinks they should be pressed to do so. Whether they can at present fairly be expected to reduce the rate to less than 2s. is, he thinks, doubtful; but he would, however, propose to pursue the question of a further reduction in connexion with the negotiations for the new licences. If such a reduction cannot be obtained at present the proper alternative will, he thinks, be to rely for further reductions on the Control of Rates clause. For instance, if the traffic proved responsive to the first reduction, so that the revenue at the reduced rate of 2s. equalled or approached the standard revenue under the existing agreement, this fact would undoubtedly be taken into account by the Railway Commission if the matter were referred to them; and the Company, realizing this, would probably be prepared to make a further reduction voluntarily.

8. An effort would also be made in negotiating the new licences to secure a reduction of the rate between South Africa and Australia, as well as any other rates from South Africa which may be unduly high.

9. The Postmaster-General would be glad to know as soon as possible whether these proposals generally commend themselves to you, or, if not, what particular reduction or other modification you would suggest.

I am, &c.,

G. E. P. MURRAY.

The Postmaster-General, Pretoria.

CONTROL OF RATES CLAUSE.

1. The Company will from time to time furnish to the Postmaster-General, at his request, all such information as to their rates of charge for telegrams, the extent and condition of their business, and their income and expenditure and their financial position as the Postmaster-General may from time to time require.

2. The Postmaster-General may at any time, by notice in writing delivered to the Company, object to the rates of charge of the Company, or any of them, on the ground that they are not just and reasonable in the interests of the public whether in the United Kingdom or abroad.

3. If when any such objection has been made the Postmaster-General and the Company are unable to agree as to the rates of charge which are the subject of the objection, the difference shall stand referred to the Railway and Canal Commission, which shall have power to fix such rates of charge as they may think fit, but the Commission shall fix the rates only after giving due and full consideration to the cost of maintenance, operation, and renewals of the cables, together with the capitalization and financial obligations of the Company.

4. The Company may at any time after an interval of twelve calendar months from the determination of such difference by the Railway and Canal Commission, by notice in writing delivered to the Postmaster-General, object to the rates of charge so fixed, or any of them, on the ground that they are unremunerative to the Company, and that a higher rate or rates would be just and reasonable (due regard being had to the interests of the public).

5. If when any such objection as last aforesaid has been made the Postmaster-General and the Company are unable to agree as aforesaid, the difference shall stand referred to the Railway and Canal Commission with the like consequences as aforesaid.

6. The provisions of the Telegraph (Arbitration) Act, 1909, shall apply to the determination of any such difference as is referred to in this clause.

18769

No. 227.

UNION OF SOUTH AFRICA.

THE POSTMASTER-GENERAL (PRETORIA) TO THE HIGH COMMISSIONER.

(Enclosure No. 6 in letter from High Commissioner for South Africa, received 27th March, 1919.)

TELEGRAM.

4TH MARCH, 1919. Please represent to Secretary, General Post Office, that Government has given careful consideration to most valuable information contained in his confidential letter, 15th January.* In all circumstances Government regard reduction in tariff as urgently necessary, and that good case exists such reduction being introduced immediately, altogether apart from negotiations in connexion with renewal of existing agreement. Rates between South Africa and Europe should be reduced to 2s. per word, and between South Africa and Australia reduced by 6d. per word, with consequential modification of rates to these countries and places intermediate on main cable route; further, that Government cable and deferred cables should be accepted, as at present, at one-half ordinary rates, and that *pro rata* reduction be granted in press rates. Union proposal new agreement will be communicated later by post.

* Enclosure in No. 226.

24832

No. 228.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 12.20 p.m., 28th April, 1919.)

TELEGRAM.

[Answered by No. 231.]

My despatch 31st December, Confidential,* paragraph 3, telegraph rates. Should be glad to learn by telegram present views of Commonwealth Government as to date from which reduction of Australian rate via Eastern to 2s. 6d. should take effect.—MILNER.

35808

No. 229.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 2.40 p.m., 18th June, 1919.)

TELEGRAM.

[Answered by No. 231.]

URGENT. My telegram 28th April,† my telegram 31st May,‡ telegraph rates. Postmaster-General anxious to ascertain views of Commonwealth Government at earliest possible date as information is required in connexion with negotiations with the Eastern Telegraph Company concerning South Africa cable rates.—MILNER.

43360

No. 230.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 3.40 p.m., 26th July, 1919.)

TELEGRAM.

[Answered by No. 231.]

URGENT. My telegram of 28th April, my telegram of 18th June,§ telegraph rates. Negotiations with Eastern Telegraph Company as to South African rates suspended pending receipt of reply from Commonwealth Government, and Union Postmaster-General now in this country is pressing for settlement. Trust that your Ministers will do their utmost to expedite reply.—MILNER.

44944

No. 231.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 10.50 a.m., 2nd August, 1919.)

TELEGRAM.

[Answered by No. 232.]

With reference to your telegram 28th April,† telegraph rates. In opinion of Postmaster-General no reduction of cable rates should be considered until normal conditions prevail.—FERGUSON.

* No. 278 in Dominions No. 61. † No. 228. ‡ 24832, remainder: not printed. § Nos. 228 and 229.

65278

No. 232.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 12.30 p.m., 26th September, 1919.)

TELEGRAM.

YOUR telegram of 2nd August,* cable rates. Postmaster-General asks whether more definite information now can be furnished as to intentions of Commonwealth Government with regard to approximate date for giving effect to reductions due under agreement with Eastern Telegraph Company. Conditions on Company's cables rapidly becoming normal. Postmaster-General states that indefinite postponement of reduction of Australian rates prejudices His Majesty's Government in negotiations with Company with regard to reduction of rates to other parts of Empire, see my telegram 18th June.†—MILNER.

Secretariat Note.—Cable Company agreed to reduce the South African rate for ordinary or private messages to 2s. a word from 1st December, 1919, reserving the right to advance rates whenever the average profits for three years immediately preceding the War are not earned, subject to proviso that rates existing when reduction to 2s. agreed on shall be the maximum in such a contingency. No subsidy to be granted by the Government. The present landing licences to be extended.

No reduction in press rates arranged, the press rate to South Africa being on the basis of that to Canada, and the lowest rate of any to the Dominions. (See 66640/19: not printed.)

As regards Australia, the Commonwealth Government decided in the latter part of 1919 not to press for a reduction in rates "at present." (See 71548/19: not printed.)

(2) Correspondence with Newfoundland reference Port-aux-Basques-Canso Cable.

48904

No. 233.

THE SECRETARY OF STATE TO THE GOVERNOR.

[Answered by No. 234.]

(Confidential.)

SIR, Downing Street, 30th October, 1919.

WITH reference to my predecessor's Confidential despatch of the 31st December, 1918,‡ regarding telegraphic rates for messages between the United Kingdom and other parts of the Empire and the provision of a State-owned Atlantic cable, I have the honour to request you to inform your Ministers that the Postmaster-General has called attention to the termination last year of the arrangements for the working of the Newfoundland Government cable between Port-aux-Basques and Canso. For convenience of reference a copy is enclosed of a letter from the Newfoundland Department of Militia to the Chief Censor, War Office, regarding the circumstances in which this line was closed.

2. The Postmaster-General has suggested in this connexion that, if the Government of Newfoundland contemplate reopening the cable, they might consider the possible advantage of connecting it with the Imperial cable at Halifax either by a land-line or by an extension of the cable from Canso. It might be possible to arrange for the Halifax end of the cable or land-line to be worked in the same building as the Imperial cable, and the Pacific Cable Board, who undertake the working of the Halifax station on behalf of the Postmaster-General, might be able to make economical provision for the working of the Halifax end of such a line or cable.

* No. 231.

† No. 229.

‡ No. 291 in Dominions No. 61.

3. If the cable were to be extended as suggested, traffic between Newfoundland and Europe could be exchanged conveniently at Halifax with the Imperial cable; and possibly also arrangements could be made with the Canadian Pacific Railway Company for the exchange of traffic to and from Newfoundland with their system.

4. About one hundred and forty nautical miles of new cable would be required for the extension from Canso to Halifax, and it is estimated that the cost of providing and laying this section of cable would be from £50,000 to £55,000. A land-line would, of course, cost considerably less, but possibly would not be so satisfactory and reliable an arrangement.

5. The Postmaster-General adds that he has no information as to the amount of traffic which would probably be available for the suggested cable, and it is possible that the traffic likely to be secured would be too small to justify the expenditure involved. I should, however, be glad to learn the views of your Government upon this suggestion. In the event of their being disposed to consider it, consultation with the Canadian Government would, of course, be necessary.

I have, &c.,
MILNER.

Enclosure in No. 233.

Department of Militia, St. John's,

Newfoundland, 28th September, 1918.

SIR,

I HAVE the honour to acknowledge receipt of your letter of 23rd August, inquiring as to the cause of the suspension of the cable service of the Commercial Cable Company with the Newfoundland Government, since the 31st July last. In reply, I beg to forward you herewith a copy of a communication received from the Deputy Colonial Secretary in answer to my application for such authoritative information.

I have, &c.,
J. R. BENNETT,
Minister of Militia and Deputy Chief
Censor.

Colonel Arthur Browne, G.S.,
Chief Censor,
War Office, London.

SIR,

27th September, 1918.

I HAVE the honour to acknowledge your letter of the 26th instant, covering communication from Colonel Browne, Chief Censor for the War Office, London, in relation to the termination of the connexion of the postal telegraphs in this Dominion with the Commercial Cable Company's system.

In 1906 the Government of Newfoundland made an agreement with the Commercial Cable Company, whereby certain privileges were accorded to the Company, who gave to the Government certain facilities. Some of these privileges had reference to the landing of cables and the taxing of the same. When the Government endeavoured to collect the taxes on cables from other companies doing business here they refused payment on the ground that they should receive similar treatment to other telegraph companies, meaning the Commercial Cable Company, and the Government have been unable to collect any of these taxes. In order to end the matter, and to take away all grounds in such contention, the Government, under the provisions of the agreement, gave six months' notice to the Commercial Cable Company of the termination of the said agreement, which six months' notice took effect on the 1st of August last, when connexion between Port-aux-Basques and Canso by the Government cable was broken and all connexion severed with the Commercial Cable Company's system. Actions have been instituted through the Courts for the recovery of taxes due in respect of cables landed on this island.

In the meantime all business with the outside world is conducted by the Anglo-American Telegraph Company's lines, with whom the Government have made temporary arrangements.

I return herewith the original communication addressed to you by the Chief Censor, London, under date 23rd August.

I have, &c.,
ARTHUR MEWS,
Deputy Colonial Secretary.

J. R. Bennett,
Minister of Militia.

28086

No. 234.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 7th June, 1920.)

(Confidential.)

My LORD, Government House, St. John's, 13th May, 1920.

I HAVE the honour to inform you that your Confidential despatch of the 30th October, 1919,* on the subject of the Newfoundland Government cable between Port-aux-Basques and Canso, was duly passed to my Ministers, who now inform me that the whole question of cable communication, as well as of wireless stations, is at present under their consideration, and they are not in a position as yet to adopt any definite conclusion on the subject.

I have, &c.,
C. ALEXANDER HARRIS.

Secretariat Note.—For further correspondence on this subject see page 249 of this volume.

(3) Proposed Duplication of Pacific Cable.

25744

No. 235.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

[Answered by Nos. 237, 238, and 239.]

(Canada,
Commonwealth of Australia,
New Zealand.) } Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 9th June, 1920.

I HAVE the honour to transmit to [Your Excellency,] [you,] for the consideration of your Ministers, a copy of a Confidential memorandum on proposals for the duplication of the Pacific Cable, which has been submitted by the Pacific Cable Board.

His Majesty's Government would be glad to receive an expression of your Ministers' opinions on the proposals made in this memorandum.

I have, etc.,
MILNER.

Enclosure in No. 235.

(Confidential.)

THE PACIFIC CABLE BOARD.

Memorandum on Proposals for the Duplication of the Pacific Cable.

DURING the War it was necessary to postpone all questions of duplicating or extending the Pacific Cable; but the time has now come for considering what policy should be pursued. The matter is one of serious interest to all the Governments which are partners in the Pacific Cable. Apart from its bearing on the problems of telegraphic communication, within and without the British Empire, it has an important financial aspect; and in this connexion it may be recalled that the reserve fund of the Pacific Cable Board cannot be used for cable extensions except with the assent of all the contributing Governments (Pacific Cable Act, 1911, 2 (1)).

* No. 233.

The Pacific Cable Board, after consulting their expert advisers, have carefully examined the whole problem, and have arrived at certain preliminary conclusions as to the schemes which should be adopted. Before going further, they think it advisable to lay those conclusions before the contributing Governments, and to ask for an expression of their views.

2. The Pacific Cable has for some years been worked up to its full capacity, but has, nevertheless, been greatly congested. This was due primarily to increased traffic arising from the War; it has continued up to the present time owing to the fact that the Eastern System has been overloaded (in consequence of the interruption of the Indo-European and Great Northern routes to the East), with the result that the Pacific System has received a large amount of traffic which would normally be carried by the Eastern System. It appears certain that the total traffic, and also the Pacific Cable's share, will remain at a higher level than before the War, but if increased facilities become available for communication with the East, the Pacific Cable's traffic will probably fall, for a time at any rate, to an amount that can be handled efficiently on a single cable, and it is impossible to say, with any confidence, how long it will be before the normal growth of traffic will exceed that amount.

3. But traffic capacity is not the only consideration to be taken into account. There is also the question of security against interruption. The Pacific Cable is now nearly twenty years old. It has been singularly fortunate in its freedom from injury, especially on the long stretches. Such faults as have occurred have been mainly in shallow water, near Norfolk Island, and other landing places, and have been easily and rapidly repaired. But it is impossible to count on permanent freedom from trouble; and it is worth while incurring considerable cost as an insurance against complete interruption. The duplication which will answer this purpose will at the same time provide spare capacity for possible expansion of traffic in the future, and will give greatly increased flexibility in the practical working of the cable. Duplication therefore is, in the opinion of the Board, desirable (1) as an insurance against interruptions, (2) for increasing the capacity of the system to meet future expansion of traffic.

4. For considering the methods of duplication, the route across the Pacific may conveniently be divided into two sections:—

- (a) Between Australasia and Fanning.
- (b) Between Fanning and North America.

5. (a) *Between Australasia and Fanning.*—At present there is a single cable from Fanning to Suva, and from Suva to Norfolk Island. Thence there is a cable to Australia (Southport) and New Zealand (Auckland). These two branches, with the Australia-New Zealand cable, form a triangle, which gives an alternative route for use in case of interruption of any one of the three sides of the triangle.

In duplicating this part of the route, it is desirable to avoid Norfolk Island, since it has been found that the conditions there cause rapid deterioration. It may also be desirable (for administrative and commercial reasons) to make a connexion with Apia (Samoa), which comes under the control of the New Zealand Government.

The best course, therefore, in the opinion of the Board, is to lay cables from Auckland to Suva, from Suva to Samoa, and from Samoa to Fanning. This route would avoid Norfolk Island, and would give connexion with Samoa. When through traffic was being handled, it could be worked direct from Fanning to Suva, through a repeater at Samoa, thus avoiding the necessity of an additional retransmission.

The cost of these connexions is estimated at £940,000. If the connexion were made direct from Suva to Fanning, the cost would be greater; for, though the distance would be less, a more expensive type of cable would be necessary.

6. (b) *Between Fanning and North America.*—The stretch of cable from Fanning to Bamfield is the longest in the world (3,458 nautical miles). It is consequently slower in working than any other part of the system, and forms the "neck of the bottle." With the exception of the shore-ends it lies in very deep water, and it is therefore very little exposed to interruption; but, on the other hand, if an interruption did occur a long time might be required for its repair.

The provision of a second channel of communication is therefore a matter of importance; but the cost (estimated at £1,400,000) is so high as to be almost prohibitive. Moreover, a cable laid along the same route as the existing cable, from Fanning to Bamfield, would be exposed to the same risks (such as submarine earthquakes, or hostile action in the event of war). The Board are therefore reluctant to recommend it, if any more advantageous alternative can be found.

7. It has been suggested that the second cable might be landed on the Canadian coast at a point north-west of Vancouver Island—for instance at Prince Rupert, the terminus of the Grand Trunk Pacific Railway. This, however, may be dismissed as impracticable. The length of the cable would be considerably greater. This would add to the cost, not only by the increase of length, but also by the increased weight of conductor required. It would also seriously diminish the speed of working and add to its difficulty. Moreover, the land connexions in Canada would be defective. It will be many years before the line to Prince Rupert reaches the standard of stability at present attained by the line to Bamfield.

8. There remains the alternative of a cable between Fanning and Honolulu. As Honolulu is already connected with San Francisco by a cable of the Commercial Pacific Cable Company, this connexion would provide a second channel between Fanning and the continent of North America, at very moderate expense (the estimated cost is £259,000), and by cables following entirely different routes from the present.

This scheme could not be undertaken without the concurrence of the United States Government and the Commercial Pacific Cable Company. The precise form it would take, would depend on the result of negotiations for obtaining such concurrence. The Fanning end of the cable would naturally be worked and owned by the Board, and it would probably be convenient that the Honolulu end should be worked and owned by the Commercial Pacific Cable Company. Arrangements as to maintenance would present no serious difficulty.

In order that this connexion might serve its purpose, it would be necessary that the Honolulu-San Francisco cable should be duplicated, since the existing cable is already congested. This duplication has already, it is understood, been under consideration, but has been postponed for the present. It appears probable that the prospect of handling the United States-Australasia traffic might determine the Company to lay a second cable.

9. The most obvious objection to this scheme is that Honolulu is not British territory, and that the Honolulu-San Francisco cable, an important link in the alternative route, is not British. It is true that the primary object of the Pacific Cable was to provide an all-British route between Great Britain, Canada, and Australasia; but, in fact, a large part of the traffic carried across the Pacific originates, or has its destination, in the United States. In 1918-19 such traffic was not less than one-third of the whole. It is the addition of this traffic which causes congestion in the Bamfield-Fanning link, and impedes the transmission of the British traffic. It would be a clear advantage if the United States traffic could be handled by a United States cable as far as Honolulu, and entered the Pacific Cable System by the proposed Honolulu-Fanning cable. The all-British route via Bamfield would thus be relieved, and enabled to fulfil its primary purpose with greater efficiency.

In the event of interruption of the Bamfield-Fanning Section, the Pacific Cable System would, it may be objected, depend upon a non-British alternative route. This, however, is already the position when the Canadian landlines are interrupted, and no serious inconvenience has resulted. So far as concerns interruption by hostile action in time of war, it may be taken as almost certain that any state of belligerency which would deprive us of the use of the route via Honolulu, would also involve the severing of the Bamfield-Fanning route, and that in any such contingency communication with Australasia would have to be maintained by the Eastern Route, or by Wireless. In any case, a second Fanning-Bamfield cable could not be expected to remain intact, if the existing cable were cut.

10. The Board recommend to the contributing Governments that negotiations for the Fanning-Honolulu cable should be undertaken; but they recognize that considerations of Imperial policy are involved, which extend beyond the sphere of their competence, and which will require the careful consideration of the Governments.

11. *Southport-Sydney Cable.*—Besides the above schemes for duplicating the main cable, the Board recommend the laying of a cable to connect Southport with Sydney.

Normally, the Norfolk-Southport cable carries the Queensland traffic only, the New South Wales and Victoria traffic being routed via Auckland and Sydney. If it is necessary, owing to an interruption or any other cause to send Sydney or Melbourne traffic via Southport, it is carried between Sydney and Southport over the landlines, which are subject to frequent interruption.

If a cable were laid between Southport and Sydney, it would be possible to employ direct working between Sydney and Suva, through repeaters at Southport

and Norfolk, and this route would be made the normal route for Australian traffic, leaving the whole capacity of the Sydney-Auckland cable free for intercolonial traffic.

The cost of a cable from Sydney to Southport is estimated at £127,000.

Even if a more stable landline could be provided between Sydney and Southport it would not be so satisfactory as a cable, since it would not be practicable to work direct from Sydney to Suva through a repeater. In order to use that route it would be necessary to retransmit the traffic at Southport, and to maintain there the considerable staff necessary for that purpose.

12. *Finance.*—The estimated cost of the whole scheme suggested in the preceding paragraphs is £1,326,000. This figure must be taken with all reserve, as the cost of materials and labour constantly fluctuates, and it must be remembered also that these figures represent the cost of cable only, and do not include the cost of freight to the Pacific, and laying. If allowance be made for these charges and a margin added for contingencies, the total cost will hardly be less than £1,500,000, and may be more.

The sums contributed to the Reserve Fund at present amount to £833,000—or, if allowance be made for depreciation of securities, about £780,000. From the revenue of the year 1919-20 it will be possible to add about £350,000, making a total of £1,130,000, together with stock cable valued at £70,000. There are, therefore, funds available sufficient for completing as much of the scheme as it would be practicable to carry out in the next two years.

For the Pacific Cable Board,

H. BABINGTON SMITH,
Chairman.

29th April, 1920.

35261

No. 236.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 6.10 p.m., 28th July, 1920.)

TELEGRAM.

[Answered by Nos. 237, 238, and 239.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Paraphrase.)

28th JULY. My Confidential despatch of 9th June,* Pacific Cable. Hope that your Government will give early and favourable consideration to the proposals of the Board with regard to duplication.—MILNER.

40266

No. 237.

NEW ZEALAND.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 3.33 p.m., 12th August, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your telegram 28th July, and your Confidential despatch 9th June,† my Government concurs in duplication of Pacific Cable proposed in Confidential memorandum by Pacific Cable Board, dated 29th April.

My Prime Minister understands that line will be duplicated by laying cable from Auckland to Suva, Suva to Samoa, and Samoa to Fanning Island at estimated cost of £940,000, and by laying cable between Fanning Island and Honolulu at an estimated cost of £259,000.

My Government concurs also in proposal to lay a cable at an estimated cost of £127,000 between Southport in Queensland and Sydney.—STOUT.

* No. 235.

† Nos. 236 and 235.

No. 238.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8th February, 1921.)

(Confidential.)

My LORD,

Government House, Ottawa, 26th January, 1921.

WITH reference to your Confidential despatch of the 9th June, 1920,* I have the honour to transmit, herewith, copies of an Approved Minute of the Privy Council for Canada recommending that the proposal of the Pacific Cable Board with regard to duplication be accepted.

I have, etc.,

DEVONSHIRE.

Enclosure in No. 238.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 21ST JANUARY, 1921.

(P.C. 110.)

THE Committee of the Privy Council have had before them a Report, dated 12th November, 1920, from the Postmaster-General, submitting herewith papers on the proposal of the Pacific Cable Board for the duplication of the Pacific Cable.

The Minister desires to point out that the Pacific Cable, reaching from Bamfield, Canada, to Sydney, Australia, touching at Auckland, New Zealand, is an Imperial enterprise controlled and operated by the Pacific Cable Board, on which there are representatives of each of the Governments of Canada, Australia, and New Zealand, the representatives for Canada being the Canadian High Commissioner and Mr. Alexander Lang, C.M.G.

The Minister observes that it is proposed to duplicate the cable from Auckland to Fanning Island, touching at Fiji (Suva) and Samoa (Apia) at a cost of £940,000 (\$4,700,000), and from Fanning Island to Honolulu to connect up with the Commercial Cable Company's line to San Francisco, at a cost of £259,000 (\$1,295,000), and also to connect Sydney and Southport, Australia, the present termini of the Pacific Cable, by an additional line, costing about £127,000 (\$635,000) or a total cost of £1,326,000 (\$6,630,000), or, with a margin for contingencies, of £1,500,000 (\$7,500,000) for the whole scheme.

There is in the Reserve Fund at present £1,130,000 (\$5,650,000) together with stock cable valued at £70,000 (\$350,000) which may be used to defray the cost of the new cable, leaving £1,500,000 to be made up from surpluses or by the various Governments interested.

The Minister states that funds are available sufficient for completing as much of the scheme as it would be practicable to carry out in the next two years, so that it is a question of Canada giving her consent to the proposed use of these funds, and the Minister, therefore, recommends that the proposal of the Pacific Cable Board with regard to duplication be accepted.

The Committee concur in the foregoing recommendation and submit the same for approval.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.

62956

No. 239.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.30 p.m., 19th December, 1921.)

TELEGRAM.

19TH DECEMBER. Your despatch 9th June, 1920, Confidential;* Pacific Cable. Commonwealth of Australia agree to proposal for duplication, leaving question of route to be settled by representative in London.—GOVERNOR-GENERAL.

* No. 235.

RESOLUTION XV:—CHANNELS OF COMMUNICATION.

(1) That this Conference is of the opinion that the development which has taken place in the relations between the United Kingdom and the Dominions necessitates such a change in administrative arrangements and in the Channels of Communication between their Governments as will bring them more directly in touch with each other.

(2) That the Imperial War Cabinet be invited to give immediate consideration to the creation of suitable machinery for this purpose.

(See pages 225-234 of Dominions No. 61.)

(1) Correspondence arising out of the Conference Resolution.

60054/S

No. 240.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Secret.)

SIR,

Downing Street, 10th January, 1919.

I HAVE the honour to acknowledge the receipt of Your Excellency's private and personal despatches, dated the 23rd and 28th of October,* respectively, on the subject of the new system of direct communication between the Prime Ministers of the Self-governing Dominions and the Prime Minister of the United Kingdom.

2. I may explain that the telegram referred to at the beginning of your despatch of the 23rd October was one sent in identical terms to all the Dominions. Telegrams from the Prime Minister of this country to your Prime Minister had been sent on other occasions previously, as, for example, on the 31st March and the 11th April. The telegram under reference should not, therefore, I think, be considered as specially intended to inaugurate the new system of communication, but may be regarded as part of the now well-established system of keeping the Dominion Government fully informed in regard to the progress of events.

3. I agree with you in considering it as important that both the Secretary of State for the Colonies and the Governor-General should be kept informed as to any messages that may be exchanged direct between the Prime Ministers. You will remember that paragraph I. (3)† of the resolution of the Imperial War Cabinet of 30th July, 1918, contemplates the use of the Colonial Office machinery, unless in exceptional circumstances, for such communications.

4. I fully appreciate the force of the considerations advanced in your despatch of the 28th October, with regard to the effect of the new procedure upon the position of the Governors-General. I am doubtful, however, as to the expediency of taking up this question in present circumstances, and my own opinion is that the best course is to wait until experience has shown how the system approved by the Imperial War Cabinet works in practice.

5. I may add that up to the present no action has, so far as I am aware, been taken under the Cabinet resolution leading to any serious inconvenience.

I have, &c.,

WALTER H. LONG.

* Nos. 304 and 305 in Dominions No. 61.

; See No. 208 in Dominions No. 61.

46536/S

No. 241.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11th August, 1919.)

(Secret "P.")

MY LORD,

Melbourne, 16th June, 1919.

I AM under the impression that considerable modifications are contemplated, or have been effected, in the procedure controlling the commercial and other relations between the Commonwealth and foreign countries. I should be grateful for definite information on this subject as occasions have already occurred when my ignorance as to the Government's policy in this matter caused me some embarrassment as, for example, when drafting a letter to the British Ambassador at Washington introducing Mr. Braddon, Australian Trade Commissioner, of whose exact status and position versus the Ambassador I had no knowledge.

It would seem obvious, at any rate, that the new status of the Dominions as members of the League of Nations, and responsible to it and not to the British Government for the administration of the Island Possessions, does, *ipso facto*, alter their relations to the Mother Country and to other foreign Powers, and will result in the Dominion Governments conducting their own foreign and commercial policy through channels over which the British Government has no control.

The anomalous position will, therefore, arise that, whereas the British Government is kept pretty closely informed through its Diplomatic and Consular Agents as to what is happening in foreign countries, it will have no such direct source of information of what is going on in the Dominions.

A Governor-General cannot, in view of the nature of his office, play the spy on his own Government and, even if his staff were trained in diplomatic duties, it would not be expedient that they should be employed in ferreting out information or surprising the secrets of statesmen.

It cannot be assumed that the Governor-General will always be kept fully informed of his Government's policy for, naturally, should the latter desire to carry through certain negotiations unknown to the British Government, the proceedings will be carefully kept from one whose duty it is to report to the Colonial Office.

It has indeed come to my knowledge that on one occasion care was taken that the Governor-General should not become aware of certain commercial transactions which it was desired to conceal from the British Government. At this moment active communications are being carried on between the Japanese Consul-General and my Government, the purport of which is unknown to me. American commercial agents are also engaged in active propaganda, and I have no means of ascertaining what aims they are pursuing, or what instructions are being sent from this side to Mr. Braddon in New York, or what schemes he may be pushing.

There are other matters relating to the movements and propaganda of political agents of which it is highly desirable the Home Government should have secret and confidential information. It therefore appears to be necessary to draw Your Lordship's attention to the changed situation consequent on the constitutional alterations effected by the establishment of the League of Nations, and also partially by the change in channels of communication which places Prime Ministers of Dominions in direct touch with the British Prime Minister, in order that you may consider whether it may not be ultimately expedient for the British Government to have some species of Agent on this side appointed to serve the same end as a diplomat in a foreign country. The fact of Australia's proximity to Japan and to America creates a different situation here from that which prevails in South Africa, or even in Canada where the commercial and political relations between that Dominion and America have been gradually developed in peace time and are more or less fixed.

I have, &c.,

R. M. FERGUSON.

Secretariat Note.—It was decided not to send a reply to this despatch.

70432/S

No. 242.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12th December, 1919.)

[Answered by No. 243.]

(Secret.)

Governor-General's Office, Melbourne.

MY LORD,

31st October, 1919.

I HAVE the honour to inform Your Lordship that my Prime Minister desires to be furnished with a cypher for use by him when communicating with the Prime Minister of the United Kingdom by cablegram direct, in accordance with the resolutions passed by the Imperial War Cabinet on the 30th July, 1918, and embodied in your confidential despatch dated 18th [15] August, 1919, Dominions No. 442,* relating to channels of communication between the Governments of the United Kingdom and the Dominions.

I have advised the Prime Minister that in addition to the Colonial Office machinery which exists for the conduct of such correspondence, the Governor-General's cyphers are available for his purposes when required, subject to the instruction received by the Governor-General that they must, at all times, remain in the custody of himself or his Staff. The Prime Minister wishes, however, to have a cypher issued to him, and I submit his request accordingly.

I have, &c.,

R. M. FERGUSON,
Governor-General.

126/S

No. 243.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Secret.)

SIR,

Downing Street, 5th January, 1920.

IN reply to Your Excellency's secret despatch of the 31st October, 1919,† I have the honour to transmit to you, for the use of your Prime Minister, the accompanying copy of Cypher M. 1917.

I have, &c.,

(for the Secretary of State)
L. S. AMERY.

126/S

No. 244.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Secret.)

MY LORD DUKE,

Downing Street, 13th January, 1920.

I HAVE the honour to transmit to Your Excellency the accompanying copy of Cypher M. 1917.

2. This Cypher is for use by your Prime Minister when communicating direct with the Prime Minister of the United Kingdom in accordance with the resolution passed by the Imperial War Cabinet on the 30th July, 1918.

I have, &c.,

(for the Secretary of State)
L. S. AMERY.

Secretariat Note.—This matter was further discussed at the Imperial Meetings, 1921, and the existing practice of direct communication between the Prime Ministers of the United Kingdom and the Dominions as well as the right of the latter to nominate Cabinet Ministers to represent them in consultation with the Prime Minister of the United Kingdom was reaffirmed (see page 10 of [Cmd. 1474]). A Note as to the system of "direct communication" and of transmission of Cabinet papers to the Dominions will be found attached to G.G./30395/22 Doms. Australia.

* No. 294 in Dominions No. 61.

† No. 242.

(2) Correspondence with Canada.

20477/S

No. 245.

COLONIAL OFFICE to FOREIGN OFFICE.

SIR, Downing Street, 10th April, 1919.
I AM directed by Viscount Milner to transmit to you to be laid before Earl Curzon of Kedleston, a copy of a letter, dated the 27th of March, addressed by Sir Robert Borden to the Prime Minister, respecting the communication to the Government of Canada, of despatches to and from His Majesty's Ambassador at Washington.

2. Lord Milner would be glad to be informed what action it is proposed to take in the matter.

I am, &c.,
HENRY LAMBERT.

Enclosure in No. 245.

(Confidential.)

DEAR MR. LLOYD GEORGE, Hotel Majestic, Paris, 27th March, 1919.
IN perusing despatches from the British Ambassador at Washington, I have been impressed from time to time with the importance of the information from a Canadian standpoint. Conditions in the United States, and the policy of the United States Government from time to time, are naturally of great moment to Canada by reason of the immediate proximity of the two countries and the constantly increasing commercial, industrial, and social intercourse between them. It has been the practice at the British Embassy to repeat to Ottawa telegrams directly affecting Canadian interests; but I think this practice should be carried farther and that all telegrams touching political, industrial, commercial, and social conditions in the United States should be repeated to Ottawa. A similar course might be followed with respect to telegrams from Downing Street to the Embassy at Washington.

May I hope, therefore, that pending the conclusion of arrangements for direct Canadian representation at Washington instructions may be given along the lines which I have suggested.

Copy of this letter is being sent to Mr. Balfour and to Lord Milner.

Faithfully yours,
R. BORDEN.

The Right Honourable
David Lloyd George,
Prime Minister,
23, rue Nitot, Paris.

29754

No. 246.

FOREIGN OFFICE to COLONIAL OFFICE.

(Received 19th May, 1919.)

THE Under Secretary of State for Foreign Affairs presents his compliments to the Under Secretary of State for the Colonies, and, by direction of the Secretary of State, transmits herewith copy of a letter from Mr. Balfour and despatch to His Majesty's Ambassador at Washington respecting the communication of Washington despatches to Government of Canada.

Foreign Office,
17th May, 1919.

Reference to previous correspondence: Letter to Foreign Office, 10th April, 1919.*

* No. 245.

Enclosure 1 in No. 246.

(No. 584.)

MR. BALFOUR presents his compliments to Earl Curzon of Kedleston and, with reference to His Lordship's despatch No. 2300, of the 16th instant desires to express his concurrence in the instructions which Lord Curzon proposes to issue to Lord Reading in regard to the communication to the Government of Canada of correspondence with His Majesty's Embassy at Washington.

25th April 1919.

Enclosure 2 in No. 246.

(No. 230.)

MY LORD, Foreign Office, S.W.1, 1st May, 1919.
I TRANSMIT to Your Excellency, herewith, copy of a letter from the Colonial Office forwarding one from Sir R. Borden to Mr. Lloyd George, in which he asks that pending the conclusion of arrangement for direct Canadian representation at Washington, all telegrams from His Majesty's Embassy to the Secretary of State touching political, industrial, commercial, and social conditions in the United States as well as similar telegrams from the Secretary of State to the Embassy, should be repeated to Ottawa.

Speaking generally, I consider it desirable to meet the wishes of the Canadian Government and to communicate to them all telegrams of the nature indicated, which there is no special reason to exclude from the arrangement.

Whatever form Canadian representation in Washington may take, it is to be hoped that it will be very closely linked with British representation, and the fuller our confidence now the more likely are we to achieve real co-operation later, so that the interpretation of what is proper to be communicated should be as liberal as possible.

Telegrams from the Embassy which are communicated to Canada should be marked accordingly; telegrams from the Secretary of State will end with the words "repeat to Canada."

The same principle will, of course, apply to despatches.

I am, &c.,
(For the Secretary of State).
VICTOR WELLESLEY.

His Excellency
The Right Honourable
The Earl of Reading, G.C.B., K.C.V.O.,
&c., &c., &c.

29754

No. 247.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential.)

MY LORD DUKE, Downing Street, 28th May, 1919.
I HAVE the honour to transmit to Your Excellency, to be laid before your Ministers, a copy of a letter* addressed by Sir Robert Borden to the Prime Minister respecting the communication to the Government of Canada of despatches to and from His Majesty's Ambassador at Washington.

2. The necessary instructions have been given to the Embassy to meet Sir R. Borden's wishes.

I have, &c.,
MILNER.

* Enclosure in No. 245.

RESOLUTION XVI.: IMPERIAL MINERAL RESOURCES BUREAU.

The Imperial War Conference, having considered the memorandum by the Minister of Reconstruction on the Imperial Mineral Resources Bureau, as amended, agrees that the number of representatives of the mineral, mining, and metal industries on the Governing Body of the Bureau should be increased from four (as originally agreed) to six. The Conference further approves the proposal for a Charter of Incorporation as set out in paragraph 6 of the memorandum and the proposals in paragraphs 7 and 8 as to the allocation of expenditure.

(See page 54 of this volume.)

32681

No. 248.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.	} Dominions No. 495.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 20th June, 1919.

WITH reference to Resolution XVI. of the Imperial War Conference, 1918, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of an Order of His Majesty in Council, dated the 30th of May, 1919, approving the grant of a charter incorporating the Imperial Mineral Resources Bureau.

2. With regard to paragraph 3 of the memorandum by the Minister of Reconstruction referred to in the resolution of the Imperial War Conference (see page 237 of [Cd. 9177]), Professor Thomas Turner, M.Sc., F.I.C., of the University of Birmingham, has been appointed a Governor of the Bureau in the place of Professor H. C. H. Carpenter, who has resigned, and it will be observed that his name is included in the draft charter.

I have, &c.,
MILNER.

Enclosure in No. 248.

AT THE COURT AT BUCKINGHAM PALACE, THE 30TH DAY OF MAY, 1919.

Present:

The King's Most Excellent Majesty in Council.

WHEREAS there was this day read at the Board a report of a Committee of the Lords of His Majesty's Most Honourable Privy Council, dated the 14th day of May, 1919, in the words following, viz.:—

"Your Majesty having been pleased, by Your Order of the 15th day of April, 1919, to refer unto this Committee the humble petition of Sir Richard Redmayne, K.C.B., and others, praying for the grant of a charter incorporating 'The Imperial Mineral Resources Bureau':

"The Lords of the Committee, in obedience to Your Majesty's said Order of Reference, have this day taken the said petition into consideration, and do agree humbly to report, as their opinion, to Your Majesty, that a charter may be granted by Your Majesty in terms of the draft hereunto annexed."

His Majesty having taken into consideration the said report, and the draft charter accompanying it, was pleased, by and with the advice of His Privy Council, to approve thereof, and to order, as it is hereby ordered, that the Right Honourable Edward Shortt, one of His Majesty's Principal Secretaries of State, do cause a warrant to be prepared for His Majesty's Royal signature, for passing under the Great Seal of the United Kingdom a charter in conformity with the said draft, which is hereunto annexed.

ALMERIC FITZROY.

DRAFT CHARTER REFERRED TO IN THE FOREGOING ORDER IN COUNCIL.

GEORGE THE FIFTH, by the Grace of God, of the United Kingdom of Great Britain and Ireland, and of the British Dominions beyond the Seas, King, Defender of the Faith, Emperor of India.

To all to whom these presents shall come, greeting.

Whereas the Right Honourable Alfred Viscount Milner, Principal Secretary of State for the Colonies, did, on the 12th day of April, 1919, transmit to the Lord President of Our Council for presentation to Us in Council a humble petition setting forth the importance of the establishment and organization of a bureau for the collection of information with reference to the mineral resources of all parts of Our Empire and for the promotion of the development and utilization of such resources and most humbly praying Us in Our Council to grant Our Royal Charter for incorporating the persons hereinafter designated "President" and "Governors" respectively, with the name and title of "The Imperial Mineral Resources Bureau" with such powers and privileges and in such manner in all respects as to Us in Our Council may seem fit.

And whereas We have taken the said petition into Our Royal consideration and are minded to accede thereto.

Now, therefore, know ye that We, being desirous of promoting the establishment and organization of the said Bureau, have by Our Royal Prerogative and of Our especial grace, certain knowledge and mere motion given and granted and by this Our Charter for Us, Our heirs and successors do hereby give and grant that—

The Lord President of Our Council for the time being;

The person appointed by the Lord President of Our Council for the time being as representative of the United Kingdom;

Such further persons as may from time to time be respectively appointed for that purpose by:—

The Government of the Dominion of Canada:

The Government of the Commonwealth of Australia:

The Government of the Dominion of New Zealand:

The Government of the Union of South Africa:

The Government of Newfoundland:

The Government of India:

The Secretary of State for the Colonies: on behalf of all other parts of Our Empire not hereinbefore mentioned, including territories under Our Protection.

And such further six persons as may from time to time be respectively appointed for that purpose by the Lord President of Our Council for the time being, and after due consultation by him with all important interests concerned, shall be the president and governors respectively of, and be a body corporate by the name of "The Imperial Mineral Resources Bureau," with perpetual succession and a common seal, with power to break, alter, or renew the same at discretion, and with capacity to sue or be sued in their corporate name, and with the further authorities, powers, and privileges, conferred and subject to the conditions imposed by this Our Charter.

And We do hereby accordingly will, ordain, give, grant, constitute, appoint, and declare as follows:—

—PURPOSES OF THE BUREAU.

The purposes of the Bureau are the following:—

- (i) To collect, co-ordinate, and disseminate information as to the resources, production, treatment, consumption, and requirements of every mineral and metal.
- (ii) To ascertain the scope of existing agencies, with a view ultimately to avoid any unnecessary overlapping that may prevail.
- (iii) To devise means whereby existing agencies can, if necessary, be assisted and improved in the accomplishment of their respective tasks.
- (iv) To supplement these agencies, if necessary, in order to obtain any information not now collected which may be required for the purposes of the Bureau.
- (v) To advise on the development of the mineral resources of the Empire or of particular parts thereof, in order that such resources may be made available for the purposes of Imperial defence or industry or commerce.

II.—POWERS OF THE BUREAU.

The Bureau is hereby authorized and empowered for the purposes aforesaid from time to time—

(i) To acquire by gift, purchase, or otherwise, and hold and dispose of personal or movable property of every kind in the United Kingdom or elsewhere.

(ii) To acquire by gift, purchase, or otherwise, and to hold (without a licence in mortmain or other authority than this Our Charter) lands in the United Kingdom, not exceeding five acres, and to acquire by the like means and to hold (subject to any local law for the time being in force) lands not exceeding five acres in any part of Our Empire with the approval of the Government thereof, and in any Foreign State (which expression in this Our Charter shall not include any State under Our protection) with the approval of the Government thereof.

(iii) To build or take by gift, lease, purchase, or otherwise suitable buildings and to dispose from time to time of any land and buildings when not required.

(iv) To appoint subject to the approval as to any part of Our Empire of the Government thereof and as to any Foreign State of Our Secretary of State for Foreign Affairs, and employ officers, servants, and other persons as may be necessary to carry out the work of the Bureau (and whether in the United Kingdom or elsewhere) on such terms and conditions and at such remuneration as the Governors may think fit. A Governor may be appointed, employed, and remunerated under this power but upon his appointment to any salaried office other than that of Chairman or Vice-Chairman he shall *ipso facto* vacate his office as Governor.

(v) With a view to the carrying into effect of any of the purposes aforesaid or the exercise of any of the powers of the Bureau but subject to the approval as to any part of Our Empire of the Government thereof and as to any Foreign State of Our Secretary of State for Foreign Affairs, to enter into any contract or arrangement whether within the United Kingdom or elsewhere, with any of Our subjects or with the Government or the subjects or citizens of any part of Our Empire or of any Foreign State.

(vi) To enter into such arrangements with any Department of the Government of the United Kingdom or of the Government of any part of Our Empire or of any Foreign State as may be desirable with a view to the exercise of any of the powers of the Bureau.

(vii) To do anything not expressly hereinbefore provided for which may be incidental or conducive to the exercise of any of the powers of the Bureau.

All the above powers shall be vested in the Governors to be exercised by them in accordance with the provisions of this Our Charter, but the power to acquire and hold land in a Foreign State specified in subsection (ii) and the power to enter into arrangements with any departments of the Government of any Foreign State specified in subsection (vi) shall not be exercised by the Governors except with the concurrence of Our Secretary of State for Foreign Affairs.

III.—THE PRESIDENT.

(i) The Lord President of the Council for the time being shall be the President of the Bureau, and the Right Honourable the Earl Curzon of Kedleston shall be the first President of the Bureau.

(ii) The President shall have the right to preside and vote at all meetings of the Governors and of Committees of the Governors at which he may be present.

(iii) The Governors shall be at liberty to submit to the decision of the President any question relating to the affairs of the Bureau which calls for his assistance or direction in an emergency.

IV.—GOVERNORS OF THE BUREAU.

1. The first Governors shall be the following persons:—

Sir Richard Augustine Studdert Redmayne, K.C.B., Chairman of the Bureau and Representative of the United Kingdom, appointed by the Lord President of Our Council.

Mr. Willet Green Miller, LL.D., appointed by the Government of the Dominion of Canada.

Mr. William Sydney Robinson, appointed by the Government of the Commonwealth of Australia.

Mr. Thomas Hutchinson Hamer, appointed by the Government of the Dominion of New Zealand.

The Right Honourable William Philip Schreiner, C.M.G., K.C., appointed by the Government of the Union of South Africa.

The Right Honourable Edward Patrick Lord Morris, K.C.M.G., appointed by the Government of Newfoundland.

Mr. Richard Dixon Oldham, F.R.S., appointed by the Government of India.

Mr. John William Evans, D.Sc., appointed by the Secretary of State for the Colonies.

Also the following persons, appointed by the Lord President of Our Council:—

Mr. Westgarth Forster Brown,

Mr. Frederick Henry Hatch,

Sir Lionel Phillips, Bt.,

Mr. Edgar Taylor,

Mr. Wallace Thorneycroft,

Professor Thomas Turner, M.Sc., F.I.C.

2. Each of the Governors other than the Chairman shall hold office for a year and thereafter until he or a successor shall be appointed, but a Governor shall be eligible for reappointment.

3. In the event of the death or resignation of a Governor his place shall be filled by another person similarly appointed.

4. The Secretary of State for the Colonies, the Secretary of State for India, the several Governments of the Dominion of Canada, the Commonwealth of Australia, the Dominion of New Zealand, the Union of South Africa, and Newfoundland, and the Lord President of Our Council for the time being may respectively appoint any person to be an alternate to act in the event of the absence from any meeting of any of the above-named Governors, and such appointment may be either a standing appointment or for any particular meeting.

V.—ORGANIZATION OF THE BUREAU.

1. (i) There shall be a Chairman of the Bureau who shall be the representative of the United Kingdom and shall be appointed by the Lord President of Our Council.

(ii) The Chairman shall (subject to the power hereinbefore conferred upon the President) preside at all meetings of the Governors and of the Committees constituted under this Our Charter at which he may be present and subject to such regulations as may be made by the Governors as hereinafter provided the Chairman may summon all meetings of the Governors for the despatch of business.

(iii) The Chairman of the Bureau, as representative of the United Kingdom, shall be entitled to receive annually from the authority appointing him such remuneration as may be fixed by the Lord President of Our Council. If he is also appointed by the Governors to be the administrative head of the Bureau he may receive out of the funds of the Bureau such further remuneration as the Governors may fix.

(iv) The Governor may receive such remuneration as the authority appointing him may from time to time determine.

(v) The Bureau shall appoint a Governor to be Vice-Chairman to discharge the duties of the Chairman in his absence or such of those duties as the Chairman may delegate to him, subject to the approval of the Governors.

2. The Governors shall meet for the despatch of business, and shall from time to time make such regulations with respect to the summoning, notice, place, management, and adjournment of such meetings and generally with respect to the transaction and management of business as they think fit, subject to the following conditions:—

(i) The first meeting of the Governors shall be held on such day after the date of this Our Charter, and at such place as may be determined by the Chairman, and subject to the provisions of this Our Charter, the proceedings at any such first meeting shall be conducted in such manner as may be directed by the Chairman.

(ii) The quorum for a meeting of the Governors shall consist of three or such other number as the Governors may declare.

(iii) Every question shall be decided by a majority of votes of the Governors present and voting on that question.

(iv) The names of the Governors present at a meeting shall be recorded, and, upon a requisition made by three or more Governors voting on a question, the names of those voting on that question shall be recorded.

(c) If at any meeting neither the President nor the Chairman nor the Vice-Chairman is present at the time appointed for holding the same, the Governors present shall choose some one of their number to preside at such meeting.

(vi) In case of an equality of votes at any meeting the person presiding at such meeting shall have a second or casting vote.

2. The Governors may from time to time delegate any special powers to Committees, consisting of such number of the Governors as they may think fit, and may appoint the quorum for any such Committees. Such Committees shall have power subject to the direction and control of the Governors to make or adopt such rules for the guidance and regulation of the affairs of the Bureau specially delegated to them, and as to the holding of their meetings and the conduct of their business thereat, as they may from time to time see fit, subject to the control of the Governors.

4. (i) The Governors may from time to time appoint Advisory Committees consisting of such persons as they may think fit, to advise either permanently or temporarily on any special subject.

(ii) The members of such Advisory Committees shall hold their offices during the pleasure of the Governors. Such Advisory Committees shall have the power to make or adopt such regulations as to the holding of their meetings and the conduct of their business thereat as they may from time to time see fit, but shall obey any directions given them by the Governors as to the exercise of their powers.

5. The Governors may from time to time with the approval as to any part of our Empire of the Government thereof, and as to any Foreign State of our Secretary of State for Foreign Affairs, constitute and maintain agencies in any part of Our Empire and in Foreign States, charged with the duty of aiding the Governors to carry into effect any of the purposes of the Bureau and may delegate to any such agency such of the powers, authorities, and privileges conferred on the Bureau by this Our Charter as may be specified in the instrument constituting such agency.

1. The Governors are hereby authorized and empowered—

(i) To receive all funds which may be granted annually or otherwise by the Government or Legislature of the United Kingdom or of any other part of Our Empire.

(ii) To hold, administer, and deal with all funds which may be granted as aforesaid, and to receive, hold, administer, and deal with all other funds which may be derived from any other source not hereinbefore mentioned, subject to any such conditions as may be attached to any such grant as aforesaid.

2. The accounts of the Bureau shall be audited annually by an auditor or auditors, who shall be chartered or incorporated accountants, and who shall be approved by the Lord President of Our Council for the time being.

3. The Governors shall once at least in every year prepare a general report of their proceedings for the year preceding, and attach thereto a duly certified and audited statement of accounts and of the finances of the Bureau.

The Chairman shall, on the completion of every such annual general report and statement of accounts forthwith submit the same to the Lord President of Our Council and it shall be the duty of the Secretary to transmit copies thereof for the information of the Governments of all parts of Our Empire.

VII.—GENERAL.

1. No act or proceeding of the Governors or of a Committee established by them shall be questioned on account of any vacancy or vacancies in the Governors or of any such Committee.

2. No defect in the qualification or appointment of any person acting as a Governor or of a Committee established by them shall be deemed to vitiate any proceedings of the Governors or of such Committee in which he has taken part, in cases where the majority of Governors parties to such proceedings are duly entitled to act.

3. (i) Any instrument, which, if made by a private person, would be required to be under seal, shall be under the seal of the Bureau and signed by the duly authorized officer of the Bureau. Any notice issued by or on behalf of the Bureau or the Governors shall be deemed to be duly executed if signed by the proper Officer; but, subject as aforesaid, any appointment made by the Governors and any

contract, order, or other document made by or proceeding from them or the Bureau shall be deemed to be duly executed either if sealed with the seal of the Bureau and signed by the duly authorized Officer or if signed by two or more Governors authorized to sign them by a resolution of the Governors and countersigned by the duly authorized Officer of the Bureau.

(ii) The proper Officer of the Bureau and of the Governors shall be any officer authorized by them to sign such notices and documents as he is required to sign as aforesaid.

VIII.—FURTHER PROVISIONS.

1. The Governors may at any time and from time to time, apply for an Act of Parliament if it appears to them that such Act of Parliament is necessary or desirable for carrying into effect any of the purposes or powers of this Our Charter.

2. The Governors may from time to time make such by-laws and regulations as may seem necessary or proper for the regulation and good government of the Bureau and of the affairs thereof and generally for carrying the objects of the Bureau into full and complete effect and may from time to time alter or change any such by-laws or regulations so always that all by-laws or regulations so to be made be not repugnant to these presents or to any of the laws of Our Realm.

3. Unless the context otherwise requires the Interpretation Act, 1889, shall apply to the interpretation of this Our Charter as it applies to the interpretation of an Act of Parliament, so, however, that this Our Charter shall always be construed and adjudged in the most favourable and beneficial sense for the best advantage of the Bureau and the promotion of the objects of this Our Charter as well in all Our Courts as elsewhere any non-recital, mis-recital, uncertainty, or imperfection herein notwithstanding.

4. The Governors may by a resolution in that behalf passed at any meeting by a majority of not less than two-thirds of the Governors present and voting (being an absolute majority of the whole number of Governors) and confirmed at a meeting held not less than one month nor more than four months afterwards by a like majority alter, amend, or add to this Our Charter and such alteration, amendment, or addition shall, when allowed by Us in Council, become effectual so that this Our Charter shall thenceforward continue and operate as though it had been originally granted and made accordingly. This provision shall apply to this Our Charter as altered, amended, or added to in manner aforesaid.

5. Moreover We reserve to Ourselves power from time to time to alter, amend, or add to these Presents by supplemental Charter.

In witness whereof We have caused these Our Letters to be made patent.

Witness Ourselves at Westminster, the twelfth day of June, in the Year of our Lord One thousand nine hundred and nineteen, and in the Tenth year of Our Reign.

By Warrant under the King's Sign Manual.

Secretariat Note.—His Majesty's Government made a grant of £10,000 to the Bureau annually from 1919 (1919-20) until 1921 (1921-22) inclusive. During 1920 the following grants were made by Dominion Governments (see 10753/21):—

Canada, £2,500; Commonwealth of Australia, £2,000; New Zealand, £1,000; Newfoundland, £250.

During 1921 the following grants were made by Dominion Governments (see 24009/22):—

Canada, £2,500; Commonwealth of Australia, £2,000.

RESOLUTION XVII: DEMOBILIZATION.

The Conference agrees that an advisory and executive committee—to be known as the "Military Demobilization Committee of the British Empire"—should be set up forthwith:—

(a) To consist of representatives of the Military authorities of the Dominions and Colonies, and of representatives of the War Office, India Office, and Ministry of Shipping, under the Chairmanship of the Secretary of State for War, or some one deputed by him; the secretariat of the Committee to be provided by the Mobilization Directorate of the War Office.

(b) To consider all military questions of demobilization affecting the various Governments concerned by:—

- (i) making decisions in regard to matters of detail;
- (ii) submitting questions of principle which may arise from time to time to the Government or Governments concerned;
- (iii) arranging for the fullest interchange of information with regard to plans for demobilization.

(c) To sit, prior to general demobilization, at such time as may be considered necessary by the Chairman, during demobilization, as frequently as may be necessary to secure the complete mutual co-ordination of the demobilization procedure of the various Governments concerned.

Secretariat Note.—See note on page 236 of Dominions No. 61.

RESOLUTION XVIII: PETROLEUM.

The Conference takes note of the Memorandum* on the question of Petroleum, and, having regard to the great and growing importance of petroleum and its products for Naval, Military, and industrial purposes, desires to commend the suggestions contained in the Memorandum to the serious consideration of the Governments concerned.

(See pages 237 and 238 of Dominions No. 61.)

(1) General Correspondence.

3623

No. 249.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR

(Canada.	} Dominions No. 33.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[MY LORD DUKE.] [MY LORD.] [SIR.] Downing Street, 15th January, 1919.

WITH reference to previous correspondence on the subject of petroleum supplies, I have the honour to transmit to [Your Excellency,] [you,] for the information of your Ministers, copies of the following Act of the Imperial Parliament: 8 and 9 George V., chapter 52, Petroleum (Production) Act, 1918.

I have, &c.,

MILNER.

21488

No. 250.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 8th April, 1919.)

(Confidential.)

MY LORD, Governor-General's Office, Cape Town, 10th March, 1919.

I HAVE the honour to transmit to you herewith, with reference to Mr. Long's despatch, Confidential, Dominions No. 653, of the 15th November, 1918,† a copy of a minute from Ministers, dated 4th March, 1919, on the subject of the petroleum position of the British Empire.

I have, &c.,

BUXTON,

Governor-General.

Enclosure in No. 250.

(No. 342.)

Prime Minister's Office,

Cape Town, 4th March, 1919.

WITH reference to His Excellency the Governor-General's Confidential minute, No. 52/244, of the 8th January, 1919, transmitting copy of despatch Dominions No. 653, Confidential, dated 15th November, 1918, from the Secretary of State for the Colonies, on the subject of the petroleum position of the British Empire, Ministers have the honour to state that, though oil-bearing shales have been opened up in various districts in the Union, no payable proposition has yet been proved. These occurrences, however, have not been thoroughly tested.

* Printed on pages 343-349 of Dominions No. 69. See also Secretariat Note on page 238 in Dominions No. 61.
† No. 306 in Dominions No. 61.

With a view to stimulating interest in the Union's oil shales, the question of offering a bonus to parties who put up the first plant to treat oil shale is under consideration.

Under the Union laws, mineral oil belongs absolutely to the owner of the land, and, therefore, in respect of the acquisition of oil propositions on private land, any proposal to exercise control would raise questions of considerable difficulty. As regards Crown land, it is considered that, rather than impose any restrictions on prospecting every encouragement should be given to prospectors.

While fully sympathizing with the aims of His Majesty's Government, Ministers feel that the question of control of mineral oil in the Union is one that should be held over for consideration until more definite information is known as to the value and extent of the oil resources of the Union.

The suggestion of His Majesty's Government that it might be useful if particulars were furnished to the Petroleum Executive on questions of general interest, arising in connexion with the production of oil and its conservation in British hands, will be kept in mind.

The offer of advice and assistance, technical or otherwise, in regard to petroleum matters is greatly appreciated and will be taken advantage of should occasion arise.

F. S. MALAN.

15977

No. 251.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR

[Answered by Nos. 253, 254, and 255.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

Dominions No. 437. Confidential.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 31st May, 1919.

With reference to paragraph 4 of my predecessor's Confidential despatch of the 15th November, 1918, Dominions No. 659,* I have the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, the accompanying copies of a statement prepared by His Majesty's Petroleum Executive on the subject of the Petroleum Production and Consumption of the British Empire.

2. In connexion with paragraph 5 of Mr. Long's despatch under reference, I take this opportunity of informing you that the Petroleum Executive have requested that they may be furnished with any information that may from time to time be published regarding the imports, exports, and production of petroleum and petroleum products in the Self-governing Dominions, and I should be glad if your Ministers could arrange to send direct to His Majesty's Petroleum Executive, 12, Berkeley Street, London, W., copies of any publications issued by your Government from time to time which, it is considered, would be of interest to the Petroleum Executive.

I have, &c.,

MILNER.

Enclosure in No. 251.

HIS MAJESTY'S PETROLEUM EXECUTIVE.

PETROLEUM PRODUCTION.

The world's annual production of petroleum since 1913 has been approximately as follows:—

1913	51,274,981 tons.
1914	53,819,032
1915	57,880,362
1916	62,000,912
1917	70,519,464

* No. 306 in Dominions No. 61.

of which the British Empire's proportion is just over 2.5 per cent., as follows:—

Year.	India.	Other sources.	Total.
1913	1,107,821	411,269	1,519,090
1914	1,037,371	526,275	1,563,646
1915	1,148,373	481,348	1,629,721
1916	1,188,759	466,053	1,655,812
1917	1,131,038	643,651	1,774,689

In addition to this latter, however, the gross production from the Anglo-Persian Oil Company's concession in Persia since 1912 has been as follows:—

1912	73,842 tons.
1913	243,621
1914	381,890
1915	474,553
1916	587,502
1917	937,902

The distribution of the Empire's production (elsewhere than in the Self-governing Dominions) has been as follows:—

Great Britain.

The United Kingdom is a very small producer of petroleum, active operations being at present confined to the shale deposits of Scotland, chiefly in Linlithgowshire and Edinburghshire, and to a smaller extent in Lanarkshire. These oil-bearing strata produce about 3,250,000 tons of shale annually, the average yield being nineteen to twenty gallons per ton of shale, or approximately 250,000 tons of crude oil.

The output of oil shale and crude oil therefrom since 1911 has been as follows, expressed in tons:—

	Output of oil shale.	Crude oil produced.
1911	3,206,756	293,660
1912	3,284,956	294,899
1913	3,369,321	289,683
1914	3,388,869	295,464
1915	3,187,592	263,083
1916	3,102,036	247,471
1917	3,200,883	249,598
1918	3,223,076	242,501

Large areas of shale and other oil-bearing strata which may be developed in the future apparently exist in England, in the county of Dorset, and outcrop in Norfolk, the strata seeming to extend between these two points.

Africa.

Except in Egypt, no oilfield of any importance has been discovered. British Somaliland has afforded certain evidences of oil, which are at present being investigated, and in German East Africa finds of bitumen and lignite are reported.

There are also evidences of petroleum on the Gold Coast and in Southern Nigeria, and in the former the D'Arcy Exploration Company, Limited, is carrying out investigations. So far, however, no discovery of any important petroliferous territory has been made.

Egypt.—The oilfields in this country are at Jemsa and Hurghada, both situated on the Gulf of Suez. The latter field, which seems to be of remarkably regular formation, was discovered as recently as 1914, until which date the only finds of importance had been at Jemsa. The production of this field is now, however, practically negligible, whilst that of the Hurghada field has steadily increased until it now stands at over 15,000 tons of crude oil per month.

There are also indications of petroleum in the area adjacent to Jemsa, in territory on the east side of the Gulf of Suez and sixty miles south of Suez, on the Sinai Peninsula, and in the island of Jubal.

Production since 1912 has been approximately as follows:—

1912	...	...	...	...	27,962 tons.
1913	...	...	...	...	12,618 "
1914	...	...	...	...	103,605 "
1915	...	...	...	...	34,961 "
1916	...	...	...	...	54,800 "
1917	...	...	...	...	134,700 "
1918	...	...	...	...	263,550 "

India.

The total production in India increased from 665,041 tons in 1908 to approximately 1,133,333 tons in 1917, the principal producing areas being in Burma and Assam, whilst small quantities have also been obtained in the Punjab.

Burma.—The three chief fields are Yenangyaung, Singu, and Minbu. The Yenangyaung district, from which most of the production has hitherto been obtained, lies three hundred to three hundred and fifty miles north of Rangoon on the Irrawaddy River. Its upper oilsands are becoming exhausted, but deeper drilling has resulted in an increased production. There are several other districts which show good indications of the presence of oil, and the delay in prospecting is apparently chiefly due to transport difficulties.

The following table shows the production, in tons, from the areas mentioned for the years 1911-1917:—

Year.	Burma.	Assam.	Punjab	Total.
1911	888,902	14,261	6	903,169
1912	981,341	14,990	4	996,335
1913	1,089,062	18,754	5	1,107,821
1914	1,018,612	18,754	5	1,037,371
1915	1,129,168	18,200	1,005	1,148,373
1916	1,167,076	20,948	735	1,188,759
1917	1,091,181	37,379	2,478	1,131,038

Malay Archipelago.

British Borneo.—The D'Arcy Exploration Company have been granted extensive concessions on the Klias Peninsula and Mangalum Island, and the Kuhara Mining Company of Japan hold a concession over the greater part of British North Borneo. In 1915 exploitation was carried on by Americans.

Sarawak.—The principal field is the Miri district, which has been considerably developed since 1915. A deep-sea pipe-line is well under way, and a refinery at Lutong, adjacent to the field, is almost completed.

Production has been as follows:—

1914	...	...	...	45,039 tons.
1915	...	...	...	55,460 "
1916	...	...	...	90,570 "
1917 (estimated)	...	...	...	80,000 "
1918	...	...	...	71,500 "

Brunei.—A prospecting licence is held by the Anglo-Saxon Petroleum Company, Limited. Drilling has been carried out to a depth of about 2,370 feet, but continuous trouble has been experienced with water. There was a show of gas, but no oil, at 1,912 feet.

West Indies.

Of the West Indian Islands, Trinidad alone has given evidence of the existence of a payable oilfield, but indications of oil occur in Barbados.

Trinidad.—In 1915 ten companies were engaged in working petroleum, increasing in 1917 to fourteen. There are indications of petroleum on a large scale at many points in the southern half of the island, and the production from 1911-1918 was as follows:—

1911	...	...	...	17,516 tons.
1912	...	...	...	39,943 "
1913	...	...	...	70,506 "
1914	...	...	...	90,092 "
1915	...	...	...	147,015 "
1916	...	...	...	129,903 "
1917	...	...	...	223,920 "
1918	...	...	...	291,489 "

Barbados.—Oil indications have been found in the Scotland district, but the geological strata afford evidence that the deposits are small. The yield of oil, whilst at first encouraging, have fallen to an unremunerative level.

South America.

British Guiana.—Very favourable evidences of oil have been met with, particularly in the Waini River district, and a geological expedition is at present making detailed investigations.

CONSUMPTION.

Compared with production, the consumption of petroleum products in the British Empire has been:—

1912	...	...	...	4,212,534 tons.
1913	...	...	...	4,713,319 "
1914	...	...	...	5,467,577 "
1915	...	...	...	5,184,016 "
1916	...	...	...	6,128,726 "
1917	...	...	...	7,485,645 "

made up as follows:—

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	1,421,244	3,076,340	4,497,584	277,562	4,220,022
1913	1,519,090	3,525,913	5,045,003	324,818	4,720,185
1914	1,563,646	4,293,829	5,857,475	383,499	5,473,976
1915	1,629,721	4,018,672	5,648,393	457,927	5,190,466
1916	1,655,372	5,020,320	6,675,692	540,734	6,134,958
1917	1,774,689	6,224,258	7,998,947	505,867	7,493,080

The details for the various countries are:—

Great Britain.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	294,699	1,653,333	1,948,032	26,846	1,921,186
1913	289,683	1,952,427	2,242,110	16,505	2,225,605
1914	285,464	2,586,850	2,872,314	20,444	2,851,870
1915	263,083	2,354,079	2,617,162	46,079	2,571,083
1916	247,471	3,159,195	3,406,666	27,907	3,378,759
1917	249,598	4,187,569	4,437,167	20,800	4,416,367

India.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	996,335	381,048	1,377,383	85,991	1,291,392
1913	1,107,821	380,092	1,487,913	89,234	1,398,679
1914	1,037,371	427,119	1,464,490	104,799	1,359,691
1915	1,148,373	383,931	1,532,304	112,554	1,419,750
1916	1,188,759	351,697	1,540,456	99,855	1,440,601
1917	1,131,038	242,934	1,373,962	76,170	1,297,792

Canada.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	34,762	747,150	781,912	—	781,912
1913	32,583	891,116	923,699	323	923,376
1914	30,686	977,952	1,008,632	170	1,008,468
1915	30,781	947,695	978,476	225	978,251
1916	28,303	1,169,704	1,198,007	2,245	1,195,762
1917	29,333	1,512,890	1,542,223	955	1,541,277

Australia.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	27,526	97,170	124,695	312	124,383
1913	5,435	77,152	82,587	89	82,498
1914	16,016	81,776	97,791	493	97,298
1915	4,952	99,431	104,383	512	103,871
1916	5,576	90,787	96,363	426	95,937
1917 (estd.)	5,500	90,000	95,500	400	95,100

New Zealand.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	800	20,693	21,493	904	20,589
1913	444	13,078	13,522	1,018	12,504
1914	412	39,513	39,925	730	39,195
1915	556	55,783	56,339	603	55,736
1916	560	66,030	66,590	471	66,119
1917	600 (estd.)	55,193	55,793	393	55,400

South Africa.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	Nil	51,670	51,670	1,809	50,861
1913	Nil	55,396	55,396	1,171	54,225
1914	Nil	52,287	52,287	1,237	51,050
1915	Nil	56,062	56,062	1,870	54,192
1916	Nil	56,154	56,154	2,792	53,362
1917	Nil	63,609	63,609	2,856	60,753

Egypt.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	27,962	121,746	149,708	14,377	135,331
1913	12,618	152,833	165,451	8,458	156,993
1914	103,605	123,347	226,952	30,415	196,537
1915	4,961	118,914	123,875	19,956	103,919
1916	54,800	122,932	177,732	1,294	176,438
1917	134,700	65,317	200,017	4,001	196,016
1918	263,550	161,389	424,939	505	424,434

Trinidad.

Year.	Production.	Imports.	Total.	Exports.	Difference (Consumption).
1912	39,943	3,530	43,473	17,182	26,291
1913	70,506	3,799	74,305	54,280	20,025
1914	90,092	4,985	95,077	48,769	46,308
1915	147,015	2,777	149,792	57,146	92,646
1916	129,903	3,821	133,724	136,519	—
1917	223,920	3,737	227,657	151,111	76,546

49258

No. 252.

NEW ZEALAND.

THE DEPUTY GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 26th August, 1919.)

(Confidential (2).)

MY LORD, Government House, Wellington, 23rd June, 1919.
I HAVE the honour to inform Your Lordship that I duly referred to my Ministers your predecessor's Confidential despatch, Dominions No. 653, of the 15th of November,* on the subject of the petroleum position of the British Empire.

2. The Acting Prime Minister advises me that there does not appear to be any question of general interest arising in this Dominion in connexion with the production of oil and its conservation in British hands which requires to be submitted to the Imperial Petroleum Executive. In New Zealand the industry at present is only in the prospecting stage, and oil has not yet been discovered in payable quantities. All the prospecting bores are in British hands, so far as the Government of New Zealand is aware.

I have, &c.,

ROBERT STOUT,

Deputy of the Governor-General.

60178

No. 253.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 20th October, 1919.)

(Confidential.)

MY LORD, Wellington, 5th September, 1919.
I HAVE the honour to inform Your Lordship that I duly referred to my Ministers your Confidential despatch Dominions No. 437, of the 31st of May,† enclosing copies of a statement prepared by His Majesty's Petroleum Executive on the subject of the petroleum production and consumption of the British Empire.

2. I am advised that the production of petroleum in this Dominion during the past three years has been very small indeed. The Government is at present assisting two companies who are boring for oil at New Plymouth, and one of them has succeeded in putting down a bore to over five thousand feet in depth. There are indications that oil is present below this point, and it is hoped that it may be tapped before the limit of practical drilling is reached. A bore is also being put down in Canterbury, and has reached a depth of two thousand five hundred feet; the manager at this place reports favourable indications.

3. There are no recent Government publications on the subject.
4. A statement showing the imports into New Zealand of petroleum and petroleum products for the years 1916, 1917, and 1918 is enclosed.

I have, &c.,

LIVERPOOL,

Governor-General.

* No. 306 in Dominions No. 61.

† No. 251.

Enclosure in No. 5.
PETROLEUM IMPORTS.

Article.	1918.		1917.		1916.	
	cwt.	£	cwt.	£	cwt.	£
Petroleum greases and mixtures with other substances.	1,848	8,870	312	431	1,384	1,420
Benzine	gals.		gals.		gals.	
Benzoline	6,242,901	464,465	5,018,193	354,201	6,319,611	370,175
Crude petroleum, once-run shale, once-run petroleum	32,858	5,795	68,800	6,173	99,402	7,351
Crude residual	217,226	8,711	150,511	5,732	79,582	2,819
Gasoline	116,957	6,572	118,720	5,397	170,467	5,864
Kerosene	1,799,194	147,932	756,359	57,232	219,879	14,158
Mineral lubricating	3,988,832	167,209	4,334,862	134,367	5,619,886	157,948
Motor spirit	1,590,140	184,880	934,973	96,798	1,423,103	116,367
Naphtha	2,649,888	213,627	2,416,052	168,153	2,575,629	153,137
Other refined mineral oils	940	226	—	—	150	33
Paraffin (wax)	40,780	3,986	18,496	2,060	35,348	3,489
	lb.		lb.		lb.	
	4,128,711	98,472	3,175,654	66,179	4,103,536	51,476

62108

No. 254.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 29th October, 1919.)

(Confidential.)

MY LORD,

Governor-General's Office, Pretoria, 3rd October, 1919.

I HAVE the honour to transmit to you herewith, with reference to Your Lordship's despatch Dominions No. 437, Confidential, of the 31st May, 1919,* a minute, Confidential, No. 1456, from Ministers, dated 2nd October, 1919, on the subject of the production and consumption of petroleum in the British Empire.

I have, &c.,

BUXTON,

Governor-General.

Enclosure in No. 254.

(Confidential.)

(No. 1456.)

Prime Minister's Office, Pretoria, 2nd October, 1919.

MINISTERS have the honour to acknowledge receipt of His Excellency the Governor-General's minute No. 52/253, of the 19th of July last, transmitting a Confidential despatch, Dominions No. 437, dated the 31st May, 1919, from the Secretary of State for the Colonies, on the subject of the production and consumption of petroleum in the British Empire, and desire to state, for the information of the Secretary of State for the Colonies, that the Union of South Africa does not produce petroleum or petroleum products, but that statistics giving the imports of mineral oils into the Union of South Africa, together with the quantities of such mineral oils which have been re-exported, as well as copies of the following publications which have so far been issued by the Government of the Union of South Africa on the subject of petroleum, have been sent direct to His Majesty's Petroleum Executive, as desired, viz.:—

- Report on the petroleum prospects in the Union of South Africa, by E. H. Cunningham Craig.
- Geological Survey Memoir, No. 8 of 1917, treating with the geology of certain parts of the Union which have been referred to by Mr. Craig in his report.
- A copy of the October, 1917, issue of the *South African Journal of Industries*, containing an article by Dr. P. A. Wagner on mineral oils, oil shales, solid bitumens, and natural gas.

N. J. DE WET.

* No. 251.

63831

No. 255.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 7th November, 1919.)

(Confidential.)

MY LORD,

Government House, St. John's, 20th October, 1919.

I HAVE the honour to acknowledge the receipt of your Confidential despatch Dominions No. 437, of the 31st May,* on the subject of petroleum production and consumption in the British Empire, and to inform you that my Ministers have arranged for the transmission of publications on the subject issued by the Government of Newfoundland direct to His Majesty's Petroleum Executive, 12, Berkeley Square, London, W.1, as requested in your despatch.

2. I think it may be useful if I transmit also to Your Lordship a copy of a report on the Parsons Pond oilfield, which has been furnished to the Minister of Mines for the above purpose.

I have, &c.,

C. ALEXANDER HARRIS.

Enclosure in No. 255.

General Oilfields, Limited, Parsons Pond,

Newfoundland, 29th August, 1919.

SIR,

Re the request of the Colonial Office for information about the Parsons Pond Oilfield, operated by General Oilfields, Limited.

This field (situate at Parsons Pond, within twelve miles of Cow Head, a deep-water harbour on the north-west coast) is being steadily worked by General Oilfields, Limited, of London. The operations include the pumping of three wells and the baling of a fourth. The entire production is refined, the gasoline and kerosene being marketed on the coast and the residual sent to the Gas Light Company at St. John's. The gasoline is used throughout each fishing season by fishermen in motor-boats, and is most valuable and useful immediately after the opening of navigation and before imported oil is procurable. The oil is also used in operations of the property. About three tons of oil go through the still weekly; this quantity represents a single throughput.

There are three new wells in drilling (unfinished). These represent about 3,000 feet of new drilling, and one of the wells has reached the oil source with 300-400 feet of oil standing in the casing. Work on these wells was suspended fourteen months ago owing to a shortage of drilling cable, unobtainable during the War, but it is expected that there will be a resumption of drilling when navigation opens in 1920 and the Manager has returned from a winter visit to London.

General Oilfields, Limited, although owning a valuable and extensive field equipment, have been hampered in their work during the past two years by finding it impossible to import duplicate parts of broken plant, but, the oil-well supply markets having been reorganized, there should be no difficulty in perfecting the equipment next year.

The field is one on which many favourable reports have been made. Oil has been struck on both sides of the pond; the formation is not only known, but absolutely proved, to be oil-bearing; there are oil indications at widely separated points; and in the two important matters of geographical position and a profitable market for production, it has been frequently pointed out that it excels most fields in the British Empire. It is believed to be a field which is capable of being developed into an exporting source. The Government of the Colony has in many ways encouraged its development, but, unlike territories in England, Australia, New Zealand, and other parts of the Empire, it has not had the advantages of Government financial assistance.

Yours, &c.,

J. D. HENRY,

Technical Adviser and General Manager.

Honourable W. J. Walsh,

Minister of Agriculture and Mines.

* No. 251.

7887

No. 256.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 18th February, 1921.)

(Confidential.)

MY LORD, Governor-General's Office, Melbourne, 17th December, 1920.

REFERRING to your predecessor's Confidential despatch dated the 15th November, 1918, Dominions No. 653,* covering a copy of a memorandum by Viscount Harcourt (Chairman of the Petroleum Policy Committee) on the subject of the position of the British Empire in respect of petroleum, which was laid before the Imperial War Conference, 1918, I have the honour to inform Your Lordship that I am advised by my Prime Minister that the Commonwealth Government fully realizes the extremely unsatisfactory position of the British Empire in regard to petroleum supplies, and the necessity for development of the oil fields in British territories and elimination of foreign influence from control of such fields.

My Prime Minister states that as the suggestions in Viscount Harcourt's memorandum were largely matters for consideration by the several Australian State Governments the latter have been consulted, with the result that the following information has been obtained:—

NEW SOUTH WALES.

Letter dated 14th November, 1919.

Encouragement to prospectors.—On 29th December, 1915, a reward of £1,000 was offered to the person or company who shall produce 500,000 gallons of natural mineral oil within the State. Further encouragement to prospectors in the way of advances to carry out prospecting operations could be given, if considered desirable, by an extension of the regulations relating to the distribution of the Prospecting Vote.

(By Notice published in the New South Wales Government *Gazette* of the 8th October, 1920, the reward was increased to £10,000, which will be paid to the person or company who shall first produce 100,000 gallons of petroleum (natural mineral oil) within the State.)

Exclusion of foreigners: Grant of prospecting licences to persons or companies of British origin.—No general limitation at present exists under local legislation with regard to the granting of prospecting licences to foreigners. The Commonwealth War Precautions (Mining) Regulations provide, however, that no mining lease for a term exceeding five years may be granted to any person other than a natural-born British subject, except with the consent of the Commonwealth Attorney-General. A further extension of this principle could be applied to oil leases by local legislation, and, if necessary, in the meantime, pending passage of such legislation, a declaration of Government policy would be probably sufficient to prevent the issue of oil leases to any person other than a natural-born British subject, as the granting or refusal of any such lease is within the discretion of the Governor with the advice of the Executive Council. This principle could, of course, be extended also to the issue of prospecting licences in relation to mineral oils.

The question of introducing legislation where necessary to deal with this matter on the lines indicated will be taken into consideration.

Government control of issue of licences.—Under the provisions of the Mining Act, 1906, the Government has at present the absolute control of the issue of licences or leases to mine or prospect for mineral oils upon Crown land and upon private lands the minerals in which are reserved to the Crown. Legislation would be necessary to give the Crown exclusive rights in respect of mineral oils in land alienated without any reservation of minerals to the Crown.

Government to have majority holdings in oil companies.—This suggestion does not appear to be one which could be adopted with advantage.

It would perhaps be better to extend the principle embodied in Section 108A of the Mining Act, 1906, as amended, which provides that every lease or authority to mine for shale granted under that Act or any Act thereby repealed shall be subject

* No. 306 in Dominions 61.

to a special condition giving the Minister the right of pre-emption for the use of His Majesty's Australian Navy of all shale or the products thereof won from the land so held, at a price to be agreed upon or, in case of dispute, to be fixed by arbitration. This matter will be considered.

Granting of leases of large areas to mine for oil.—Consideration is at present being given to the advisableness of introducing legislation to provide for this, subject to suitable labour conditions and rentals.

Letter dated 1st September, 1920.

... a Bill is being prepared for the amendment of the Mining Act to make provision in relation to petroleum mineral oils and natural gas as follows:—

1. Power to grant leases embracing large areas, with special conditions with regard to rent and labour, and that the land so leased shall be open to mining for other minerals so far as the same can be done without interfering with the mineral oil or gas operations.
2. Exclusion of foreigners and the granting of prospecting licences for petroleum or mineral oils to persons or companies of British origin only.
3. The existing right of pre-emption of all oil for the use of His Majesty's Australian Navy (at present restricted to Crown land) to be extended to private lands.

VICTORIA.

Letter dated 18th June, 1920.

It is believed that the amendment of the Mines Act which the Government of Victoria contemplates effecting during the next session of Parliament, by which all mineral lands in Victoria are to be made available for mining, will meet all requirements so far as that State is concerned.

The Premier on 27th September, 1920, intimated that a Bill to amend the Mines Act was not submitted to Parliament during the session just closed.

QUEENSLAND.

Letter dated 30th April, 1920.

The Petroleum Act, 1915, as amended by the Mining Acts Amendment Act, 1920, provides, *inter alia*, as follows:—

"Petroleum on or below the surface of all land in Queensland, whether alienated in fee-simple, or not so alienated from the Crown, and if so alienated whensoever alienated, is and always has been the property of the Crown.

Nothing in this Act shall prevent the Governor in Council from granting a just reward to the discoverer of a new oil-field or area situated not less than one hundred miles distant from an existing oil-well.

All Crown grants and leases under any Act relating to Crown land issued after the passing of this Act (22nd December, 1915) shall contain a reservation of all petroleum on or below the surface of the land comprised therein, and also a reservation of the right of access for the purpose of searching for and for the operations of obtaining petroleum in any part of the land.

The Minister is hereby empowered, by his officers, agents, and workmen, to carry on the business of searching for petroleum and of conducting all operations deemed necessary for obtaining, refining, and disposing of petroleum in or upon land in Queensland.

The Governor in Council may . . . resume on behalf of the Crown any land which in his opinion ought to be resumed for the purpose of this Act.

Any person who desires to prospect Crown land for petroleum may make application in the prescribed form to the nearest warden for a licence to occupy any Crown land described in the application and not being of greater area than two thousand acres, for the purpose of searching therein for petroleum . . . The Minister may either refuse the application, or require it to be amended, or may accept it. . . The Minister may grant to the applicant . . . a licence to occupy the land for a period of five years from the date of the licence, and to bore and search therein for petroleum.

Mineral leases under the principal Act may be granted of land for mining for petroleum. . . If the application of any person is refused, he shall be informed of the reasons for such refusal.

There shall be reserved in every such lease for mining for petroleum a royalty at the rate of twelve pounds ten shillings per centum of the gross value of all petroleum obtained during the term.

There shall be paid by the Minister to the original licensee (but to no other person whomsoever) who as aforesaid has been granted a lease of land comprised in his licence, during such period as he is occupying and working his said lease but no longer, a sum equal to two pounds ten shillings per centum of the gross value of all petroleum obtained during such period from mining therefor on any part of the land that was comprised in his said licence, exclusive of the land comprised in his said lease, whether such petroleum was obtained by the State or by any lessee from the Crown."

SOUTH AUSTRALIA.

Letter dated 29th January, 1920.

Encouragement to prospectors.—On 23rd August, 1917, a bonus of £5,000 was offered to the person or body corporate which first obtains from a bore or well in this State of South Australia 100,000 gallons of crude petroleum. Applicants must comply with certain specified conditions.

Exclusion of foreigners: Government control of issue of licences.—In accordance with the requirements of the War Precautions (Mining) Regulations, 1916, no prospecting nor mining rights have been issued since the outbreak of war to persons other than natural born British subjects. With regard, however, to the exclusion of foreign influence after the expiry of those Regulations there will be certain difficulties that cannot be overcome readily.

Existing legislation provides the Minister of Mines with discretionary power to refuse applications for search licences and leases; but not in any way to withhold a miner's right, and the claims that may be pegged out by virtue of that right from any person over the age of 16 years who is not precluded by the War Precautions (Mining) Regulations.

There is no means of controlling the rights to search or bore for oil on private lands whereon and whereunder the minerals, including oil, have been alienated from the Crown. The principal attempts to obtain oil in this State have been conducted on private property.

The suggestion that has been made in favour of the retention of controlling holdings in the companies by the Government does not appear to be a feasible one. This proposal would entail a financial outlay which the prospects of obtaining oil do not appear to justify.

It has been suggested that a means of excluding foreign influence might be brought into effect by approaching the problem indirectly by legislation designed to conserve supplies of water in the artesian basins of the State, since in these basins the search for supplies of mineral oil will be conducted.

This State has spent a considerable sum of money in investigating alleged indications of oil, but unfortunately without having obtained any confirmation of them.

Under the circumstances it does not appear necessary to introduce any alterations in existing legislation to ensure British control of possible supplies of petroleum that have yet to be discovered.

The problem brought forward by the Imperial War Conference will not, however, be overlooked, and the suggestions that have been made will receive all possible consideration should the need arise for exercising some form of control, by reason of a future discovery of oil.

WESTERN AUSTRALIA.

Letter dated 12th March, 1920.

Consideration has been given to the views and suggestions expressed in Viscount Harcourt's memorandum, and it is proposed to introduce a Bill for an Act to govern the question of oil mining in the State of Western Australia for submission to the next session of Parliament, the provisions of which it is intended shall be so framed as to amply safeguard the interests of the Empire in the matter.

On the 8th November, 1920, the Premier furnished a copy of the Bill which has been prepared, and this is attached hereto.

TASMANIA.

In a letter dated the 17th August, 1920, the State Premier advised the Prime Minister of the Commonwealth as follows:—

"... In the opinion of Ministers, the position of the Empire, so far as oil supplies are concerned, is very serious. Turning to Australia also, the position is no less serious. Our oil production is at present very small; our requirements are increasing very materially—particularly in regard to oil fuel for the Navy—yet in spite of this, the possibilities of producing oil are not being exploited as they should be. We are consequently dependent on outside sources for our supplies which are to-day controlled by those who are friendly with Great Britain, but who may to-morrow be our enemies.

It is pleasing to my Government to note from the reports of the Conference that yourself and Sir Joseph Cook drew attention to the big undeveloped shale oil deposits in Australia, and I agree that it is a pity that these are not being more fully and systematically developed. May I say here, with all due respect, that in view of the requirements of the Australian Government for naval purposes, there is a wide field of opportunity for the development by the Government of our known deposits.

In this respect I would draw your attention to the deposits of shale at Latrobe, and the very favourable reports made thereon by Dr. Wade, the Commonwealth Oil Expert, and our own Public Works Committee, all of which are available.

"I would say, in conclusion, that the necessity for developing our own oil supplies is so apparent as to need no further comment, and I am satisfied that this can only be done successfully by the Government taking up the proposition here and in other parts of Australia, or by assisting in some concrete way. So far as our deposits here are concerned, my Government would be prepared to favourably consider any scheme whereby we could co-operate with your Government in developing the field, and thus assist in building up oil supplies which are so essential both from an economical and a naval point of view."

As to territories under Commonwealth control, the position is as under:—

NORTHERN TERRITORY.

The Mineral Oil Ordinance, 1913, provides for the granting of licences to search for mineral oil and of mineral oil leases, subject to such terms and conditions as are prescribed.

The ordinance lays down, *inter alia*:—

- (a) No licence nor mineral oil lease shall be granted to any company other than a company formed and incorporated under the law of the United Kingdom or a British Possession.
- (b) A foreign company shall not directly or indirectly be capable of acquiring or holding a mineral oil lease or any interest therein whether legal or equitable. (For the purposes of this section every company or body of persons formed under the law of any country not being a part of the British Dominions is deemed to be a foreign company.)
- (c) The Governor-General shall have the right of pre-emption of all oil produced by the lessee from any land held under mineral oil lease, and of all products of such oil.
- (d) In the event of war or danger of war, of the existence of which the Governor-General shall be the sole judge, the Governor-General may authorise some officer to assume control of the land included in any mineral oil lease and of any mineral oil refinery.

PAPUA.

As Your Lordship is aware, the Imperial and Commonwealth Governments are co-operating in the endeavour to locate payable quantities of oil in Papua. Each Government, having agreed to contribute equal sums not exceeding £50,000 towards the cost of the enterprise, entered into an agreement on 7th July, 1919, with the Anglo-Persian Oil Company, Limited, in which the Imperial Government holds a controlling interest, whereby the Company as from April, 1920, is conducting the investigations as the Government's agent.

Pursuant to this agreement several of the Company's geologists are now examining a wide stretch of country in Papua with a view to the selection of suitable sites for boring.

Private enterprise is excluded from all parts of this field.

(LATE) GERMAN NEW GUINEA.

The suggestions embodied in Viscount Harcourt's memorandum are being considered in connexion with proposals relating to the future Government of this Territory.

The Commonwealth Government has been giving, and still gives, assistance to the shale oil industry. The Commonwealth Shale Oil Bounties Act, 1917, provides for bounty as follows for a period of four years from 1st September, 1917, on crude shale oil, as prescribed, produced in Australia from mined kerosene shale:—

On each gallon up to 3,500,000 gallons	... 2½d. per gallon
On each gallon exceeding 3,500,000 and not exceeding 5,000,000 gallons	... 2d. per gallon
On each gallon exceeding 5,000,000 and not exceeding 8,000,000 gallons	... 1½d. per gallon
On each additional gallon	... 1½d. per gallon

These are the rates of bounty payable in each year to each producer on goods produced by him at each separate deposit as prescribed.

£67,500 was fixed as the maximum sum payable as shale oil bounty in any one year. The total amount paid up to the 30th September, 1920, is £65,086, the whole being received by Messrs. John Fell & Company, of Newnes, in the State of New South Wales.

To stimulate prospecting for well oil the Commonwealth Government, on 2nd January, 1920, offered a reward of £10,000 for the discovery of petroleum in commercial quantities in Australia subject to certain specified conditions. By notification dated the 9th September, 1920, this reward has been increased to £50,000.

Pursuant to an Agreement dated the 14th May, 1920, between the Commonwealth Government and the Anglo-Persian Oil Company, Limited, approved by the Oil Agreement Act, 1920, a company styled "Commonwealth Oil Refineries, Limited," with a capital of £500,000 in £1 shares, has been formed and registered in Melbourne. The Commonwealth Government holds 250,001 and the Anglo-Persian Oil Company, Limited, 249,996 shares. The main object of Commonwealth Oil Refineries, Limited, is the erection and operation of a modern refinery in Australia for treating indigenous oil when available. In the meantime up to 200,000 tons per annum of crude mineral oil is to be supplied by the Anglo-Persian Oil Company, Limited.

I have, &c.,
FORSTER,
Governor-General.

15693

No. 257.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 159. Confidential.)

[MY LORD DUKE.] [MY LORD.] [SIR.]

Downing Street, 20th April, 1921.

I HAVE the honour to transmit to [Your Royal Highness.] [Your Excellency.] [von.] for the information of your Ministers, a copy of a despatch* from His Majesty's Ambassador at Washington relative to the conditions and prospects of the Petroleum Industry in the United States.

* Not printed.

2. The document enclosed in this despatch was of an extremely voluminous and detailed character, and contained a large quantity of printed matter, extracts and cuttings from technical journals, etc. It was, therefore, thought best to have the Report carefully examined and summarized: copies of the summary are enclosed.*

3. It is thought that the following observations, which have been supplied by the Petroleum Department in connexion with the Report, may be of interest to your Ministers:—

"The petroleum industry in the United States has now developed to such tremendous proportions, and is of such a highly specialized character, that it is impossible to deal with it adequately in the course of a brief memorandum. The report was rendered in reply to a general questionnaire prepared by the Petroleum Department, and it was naturally impossible for some of the detailed information asked for to be supplied in the case of America in the same way as could be readily done for countries where the petroleum industry was far smaller and less developed.

"The United States produces about seventy per cent. of the petroleum output of the entire world, and controls an even larger proportion of existing refinery facilities. It is, therefore, in a position to dictate the prices of petroleum products which have become so essential to all civilized countries. The most outstanding and disquieting feature of the report under consideration is the fact that the consumption of the United States is now in excess of the production, in spite of every effort to secure additional production, efforts which have been rewarded by largely augmented and increasing supplies. One of the remedies which have been suggested is an embargo on exports, and unless American production and imports from abroad can keep well ahead of the growing demand it may be expected that the call for an embargo on exports will become more insistent. It has also been hinted that American views on international oil questions may in the last resort be enforced by a similar stoppage of supplies.

"Should such an embargo be placed on exports to the United Kingdom, the effect would be little short of disastrous, more particularly in respect to supplies of gasoline and lubricating oil. Nearly half of the petrol consumed in the United Kingdom comes from the United States, and, although much could, no doubt, be done to maintain such transport as was absolutely necessary by prevention of waste and the elimination of non-essential services, the shortage would probably be very serious for some time, pending the development of other sources of supply.

"The effect of cutting off the supplies of lubricating oil at present obtained from the United States is evident from the fact that ninety-five per cent. of the imports of this product, which is so essential to the carrying-on of our industries, comes from that country alone.

"It is improbable that kerosene supplies would be materially interfered with as fifty per cent. of the United States' production is exported, and very large quantities would presumably continue to be exported in order to prevent stoppage of refining.

"The fuel oil position also, while serious, is not so alarming as vessels burning oil under boilers can revert to coal, and it is noteworthy that many American ship-owners are said to be taking this step already. It is, however, likely that the first step at conserving fuel oil would be to refuse bunker supplies to any but American ships."

I have, &c.,
WINSTON S. CHURCHILL.

33721

No. 258.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND
GOVERNOR.

(Canada.
(Commonwealth of Australia.
(New Zealand.
(Union of South Africa.
(Newfoundland.

Dominions No. 294.)

[MY LORD DUKE.] [MY LORD.] [SIR.]

Downing Street, 19th July, 1921.

I HAVE the honour to transmit to [Your Royal Highness.] [Your Excellency.]

* Not printed.

[you,] for the information of your Ministers, copies of a Parliamentary Paper [Cmd. 1351] containing a despatch to His Majesty's Ambassador at Washington enclosing a memorandum on the Petroleum situation.

I have, &c.,

WINSTON S. CHURCHILL.

33721

No. 259.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.	} Confidential.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

THE Secretary of State for the Colonies presents his compliments to the Governor-General of [Canada] [the Commonwealth of Australia] [New Zealand] [the Union of South Africa] [Governor of Newfoundland] and, with reference to his despatch Dominions No. 294 of the 19th July* enclosing copies of [Cmd. 1351] on the Petroleum Situation, invites reference to his Confidential despatch Dominions No. 159 of the 20th April† on the subject of the threatened embargo on oil exports from the United States of America.

Downing Street,
19th July, 1921.

(2) Oil Discoveries in the Mackenzie River Basin, Canada.

(See page 237 of Dominions No. 61.)

2309

No. 260.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 1.30 p.m., 15th January, 1921.)

TELEGRAM.

[Answered by No. 261.]

(Paraphrase.)

I UNDERSTAND that the question of route of a pipe line for conveying oil from Mackenzie River Basin may come before your Government shortly. Lords Commissioners of Admiralty hope that every effort will be made by your Government to secure that outlet shall be at port on British territory as British control of outlet is of great importance from Naval point of view.—MILNER.

12684

No. 261.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 15th March, 1921.)

[Answered by No. 262.]

(Secret.)

SIR,

Government House, Ottawa, 1st March, 1921.

WITH reference to Lord Milner's secret telegram of the 15th January,† regarding oil in the Mackenzie District, it is understood that application will be made to Parliament next session for an act to incorporate a company with power to

* No. 258.

† No. 257.

‡ No. 260.

construct a pipe-line from the Mackenzie River up to the Rat River, and down the Bell and Porcupine Rivers to the International Boundary. The Department of the Interior, to whom any such application would be referred, is prepared to give every consideration to the representations of the Admiralty, and the Department of the Naval Service associates itself in the hope that it may be possible for the outlet of any pipe-line to be in British territory.

I have, &c.,

DEVONSHIRE.

13316

No. 262.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 263.]

(Secret.)

MY LORD DUKE,

Downing Street, 16th May, 1921.

I HAVE the honour to acknowledge the receipt of Your Excellency's Secret despatch of the 1st March,* regarding oil in the Mackenzie district, and to request you to inform your Ministers that His Majesty's Government have noted with pleasure that the Department of the Interior is prepared to give every consideration to the representations of the Admiralty upon the matter, and that the Department of the Naval Service associates itself in the hope that it may be possible for the outlet of any pipe-line to be in British territory.

2. His Majesty's Government have also now received the Regulations of the 11th and 22nd February,† regarding the issue of oil and gas permits and leases in the North-West Territories, and the pamphlet headed "New Oilfields of Northern Canada": there are various points in connexion with these Regulations which they would be glad to discuss with the Canadian Government in the interests of British oil companies which may wish to take a share in the development of the new oilfields, and they hope that an opportunity may arise for such discussion.

3. Meanwhile, should the Canadian Government see no objection, the Petroleum Department would be glad to enter into direct communication with the Department of the Interior as to details.

I have, &c.,

WINSTON S. CHURCHILL.

37105

No. 263.

THE DEPUTY GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 25th July, 1921.)

(Secret.)

SIR,

Ottawa, 14th July, 1921.

WITH reference to your Secret despatch of the 16th May,‡ in which the hope is expressed that it may be possible for the outlet of any pipe-line carrying oil from the North-West Territories to be in British territory, I have the honour to inform you that the Petroleum Engineer of the Dominion Government is now in the Mackenzie District and much useful information upon the subject of oil is expected with his return.

So far as the Department of the Interior has been able to judge from the information already available, the only route of a pipe-line for the purpose mentioned, to which serious consideration appears to have been given, is that south, following the waterways to Edmonton, and application appears to have been made to the Government of Alberta for permission to construct a pipe-line following a portion of this route.

* No. 261.

† Published in Canadian Gazette of 12th February and 5th March, 1921.

‡ No. 262.

The alternative method for the conveyance of oil from the Mackenzie District was by linking up the navigable waters of the Mackenzie and Yukon Rivers by means of a pipe-line across the watershed from the mouth of Rat River to some point on the Porcupine River near its junction with the Yukon. The suggestion was that the oil be carried in barges down the Mackenzie and up the Peel to the mouth of the Rat River, and that a pipe-line be constructed by the valley of the Rat River and down the Bell and Porcupine to navigable waters, the oil to be carried in barges down the Yukon River to tide water in Alaska.

From the information received it would appear that this method of conveyance is not feasible, and that it has not been taken seriously by those who understand the conditions.

There would not appear to be any objection to the Petroleum Department entering into direct communication with the Department of the Interior upon the details of the oil and gas regulations.

I have, &c.,

JOHN IDINGTON,
Deputy Governor-General.

Secretariat Note.—There is nothing in subsequent papers to show that there has been communication between the Petroleum Department and the Department of the Interior.

RESOLUTION XIX: NATURALIZATION.

This Conference is of opinion that legislation should be passed throughout the Empire restricting, for a period after the War, so far as in the circumstances of each country may be possible, the naturalization of citizens of present enemy countries, and also the acquisition by them of any form of political rights or of land or mining privileges.

[The Government of the Dominion of Canada abstained from voting; the Government of the Union of South Africa recorded dissent.]

RESOLUTION XX: NATIONALITY AND NATURALIZATION.

The Conference refers to the Resolution X passed by the Imperial War Conference, 1917, recognizing the desirability and importance of securing uniformity of policy and action throughout the Empire with regard to naturalization, and recommends that a special Conference, representative of all parts of the Empire, should be held at the earliest practicable date to examine and report in the light of that Resolution upon any question connected with nationality or naturalization which any Government represented at the special Conference may desire to raise, and upon any suggestions which may be made for the amendment of the existing law.

(See pages 239-241 of *Dominions No. 61* and page 268 of this volume.)

20666

No. 264.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.0 a.m., 4th April, 1919.)

TELEGRAM.

Your telegram [?despatch] 31st October, *Dominions No. 631*.^{*} Commonwealth preparing Bill to adopt, as far as necessary for uniformity, and as applicable to the conditions the Commonwealth, Part 2 of the Imperial Act, 1914, as amended to date.—FERGUSON.

20980

No. 265.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.0 a.m., 6th April, 1919.)

TELEGRAM.

[Answered by No. 267.]

5TH APRIL. Government of Canada has under consideration amendment of Naturalization Act to provide in effect that service in Canadian Expeditionary Force overseas for any period during War may be accepted by Secretary of State in lieu of requirements of Act as to residence as condition of exercise of power to grant certificate, and Acting Minister of Justice desires that this proposal, which he thinks Government of Canada is disposed to view with approval, should be communicated to you for any comment which His Majesty's Government may desire to submit for consideration of Government of Canada.—DEVONSHIRE

^{*} No. 308 in *Dominions No. 61*.

22800

No. 266.

NEW ZEALAND

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 14th April, 1919.)

(Secret.)

MY LORD,

Government House, Wellington, 10th February, 1919.

I HAVE the honour to inform Your Lordship that I did not fail to bring under the notice of my Prime Minister your predecessor's Secret despatch of the 24th of April, 1918,* on the subject of naturalization.

2. A peculiar collection of circumstances, due mainly to the visits of my Prime Minister and the Minister of Finance to the United Kingdom, has, however, prevented Ministers from sending a definite reply to the despatch referred to, and I enclose a memorandum which has been addressed to me by my Attorney-General, explaining in detail the reasons for the delay which has already occurred in tendering advice to me on the subject.

3. The enclosures† referred to by the Attorney-General accompany this despatch.

I have, &c.,
LIVERPOOL,
Governor-General.

Enclosure in No. 266.

21st January, 1919.

Secret Despatch from Secretary of State, dated 24th April, 1918, on the Subject of Naturalization.

YOUR EXCELLENCY,

I REFER to Your Excellency's letter to myself of the 3rd instant, on the above subject.

I have now obtained the file, and find that on the 11th September last I wrote a long memorandum for the Government, recommending a certain advice to Your Excellency in reference to the despatch. My memorandum was referred to Cabinet, which directed that it be circulated to Ministers, and that the decision should stand over until the return of the Prime Minister and Sir Joseph Ward.

The matter was referred to the Prime Minister by Cabinet on the 31st October, 1918, and would, I think, have been dealt with by him in the manner advised by me in my original memorandum before he left New Zealand, but for the fact that in the meantime the despatch from the Secretary of State, of the 10th October, 1918,‡ arrived, transmitting copies of the Imperial Act actually passed on the 8th August, 1918, and it was desirable to consider whether anything in that Act contained might modify the advice which I had recommended should be tendered to Your Excellency.

Moreover, during the last session of the New Zealand Parliament special provision was made prohibiting the acquisition of land in New Zealand by persons of enemy origin. The intention to introduce such legislation was stated in my memorandum to the Prime Minister, of 11th September, 1918, above referred to, and it is obviously necessary to redraft that memorandum so that reference should be made to legislation actually passed by the New Zealand Parliament instead of to contemplated legislation.

The reference to the Prime Minister by Your Excellency, of the despatch of 10th October, 1918, is dated 6th December, 1918, and I venture to think that the circumstances now stated to Your Excellency will be a sufficient explanation of apparent delay. I must still redraft the memorandum, and I think it probable that Cabinet with regard to my redrafted memorandum§ will act as it did with

* No. 187 in Dominions No. 61. † Not printed. ‡ No. 191 in Dominions No. 61.

§ See enclosure in No. 268.

regard to the previous memorandum, namely, desire that the advice to Your Excellency on this important subject should not be tendered until the return of the Prime Minister and Sir Joseph Ward to New Zealand.

I respectfully suggest that a copy of this present letter, or a statement of its effect, might be communicated to the Secretary of State in explanation of the apparent delay which has already occurred, and of the further delay which I think it probable the Ministers in New Zealand may ask for. I further respectfully suggest that the special attention of the Secretary of State might in this regard be called to the New Zealand War Legislation Act, 1917, Part I., sections 2 to 10 inclusive, and Part II., sections 11 and 12, and also to the War Legislation and Statute Law Amendment Act, 1918, Part I., sections 2 to 12 inclusive. With that object I have now to enclose two copies of each of the Acts referred to. I also transmit a copy of this letter for Your Excellency's possible convenience.

I have, &c.,

F. H. D. BELL,
Attorney-General.

His Excellency the Governor-General,
Christchurch.

26803

No. 267.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 5.45 p.m., 13th May, 1919.)

TELEGRAM.

13TH MAY. Your telegram of 5th April.* It is suggested that object aimed at by your Government might be attained by the adoption of the amendment introduced into British Nationality and Aliens Act, 1914, by second section of amending Act, 1918. Such a course would make for uniformity, and am advised that Canadian legislation making service in Canadian Forces sufficient qualification for naturalization would have effect only in Canada and persons naturalized would not be British subjects throughout the Empire.—MILNER.

59933

No. 268.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 20th October, 1919.)

[Answered by No. 270.]

(Secret. (2))

MY LORD,

Government House, Wellington, 28th August, 1919.

WITH reference to your predecessor's despatch, Dominions No. 631, of the 31st October, 1918,† and connected correspondence on the subject of Naturalization, I have the honour to transmit to Your Lordship the accompanying four copies of a Memorandum‡ prepared by Sir Francis H. D. Bell, Attorney-General for New Zealand, dealing with the question of the Naturalization of Alien Enemies.

2. Your attention is also invited to Mr. Walter Long's Secret despatch of the 24th of April, 1918,§ relative to the New Zealand "Revocation of Naturalization Act" No. 8, of 1917, a copy of which is printed on page 16|| of the enclosed Memorandum, the advice of Sir John Salmond, Solicitor-General, being printed on page 7.¶ The concurrence of the Attorney-General in the view of the Solicitor-General will be noticed on page 7¶ of the Memorandum.

* No. 265. † No. 308 in Dominions No. 61. ‡ The Memorandum and Appendix X only are printed here. § No. 187 in Dominions No. 61. || Of the original MS. ¶ Pages 194-5 of this Volume.

3. It is respectfully suggested that the Attorney-General's Memorandum be submitted to the Law Officers of the Crown in England, for their comments, which it is requested should be communicated to me, for the information of my Ministers, at the earliest possible moment, as, if it is at all possible, my Government will arrange to postpone legislation in New Zealand until a reply is received to this despatch.

4. The Government desires to lay upon the table of Parliament the Attorney-General's Memorandum, but is unable to do so without the permission of Your Lordship, as one of the despatches from the Colonial Office on the subject is secret. Would you be so good as to let me know by telegraph whether you will grant the permission required by my Ministers?

I have, &c.,
LIVERPOOL.
Governor-General.

Enclosure in No. 268.

NATURALIZATION OF ALIENS IN NEW ZEALAND.

(Secret.)

Memorandum by Attorney-General for Consideration of Ministers.

PART I.—PRELIMINARY.

A SECRET cablegram, dated 24th April, 1918, from the Secretary of State to the Governor-General, in the following terms—"Naturalization legislation: reply required"—seems to have been referred by His Excellency to the Acting Prime Minister on the 19th June, and referred by the Acting Prime Minister to the Minister of Internal Affairs on the 20th June. On the 27th June the latter Minister referred the despatch to Cabinet. It was finally referred by Cabinet to the Attorney-General on the 1st July, 1918.

2. The cable despatch above referred to is a request for the reply of the New Zealand Government to communications contained in several previous despatches, which it appears unnecessary to specify in detail, because, if the New Zealand Government adopts the views expressed in this memorandum, His Excellency may be advised to send a reply to the last despatch, which will deal with the subject-matter of the several previous despatches. The delay in dealing with the previous despatches was explained to His Excellency in the Attorney-General's letter to His Excellency of the 21st January, 1919.* Immediately before the receipt by the Attorney-General of His Excellency's letter of the 3rd January, 1919, and before the Attorney-General's letter to His Excellency of the 21st January, 1919,† the despatch of the 31st October, 1918,‡ was received by His Excellency from the Secretary of State, and it will be observed that in that despatch the Secretary of State transmitted copies of the British Nationality and Status of Aliens Act, 1914, reprinted as amended to be in accord with the British Nationality and Status of Aliens Act, 1918, together with copies of a memorandum prepared in the Home Office on the changes introduced into the Act of 1918 during its passage into law. The Secretary of State further, in paragraph 2, invites the attention of the New Zealand Government to Resolutions XIX and XX of the Imperial War Conference, 1918, and refers to the pages containing the reports of the proceedings of that Conference. Resolution XX advised that a Special Conference, representative of all parts of the British Empire, should be held at the earliest practicable date to examine and report in the light of Resolution X of the Imperial War Conference, 1917, upon any question connected with nationality or naturalization which any Government represented at the Special Conference might desire to raise, and upon any suggestions which might be made for the amendment of the existing law. The Secretary of State in paragraph 3 states that the first meeting of the Special Conference under Resolution XX was held on the 31st July at the Home Office, and that copies of the proceedings were circulated to those who attended the Conference. He goes on to say that further memoranda were in process of preparation, which would also be circulated, and that the Home Secretary informed him that he expected that the subjects thus raised would be referred by the members of the Special Conference to their Governments for instruction, and that he hoped that they would be

* Enclosure in No. 266.

† No. 308 in Dominions No. 61.

discussed by correspondence, and at another meeting or meetings, at a time generally convenient.

3. I have not been able to find any reference to the copies of the proceedings of the Special Conference, or any correspondence on the subject, or any note of proceedings at any other meeting on the subject. Possibly this may be due to the fact that after the Imperial Conference of 1918 the Prime Minister of New Zealand and Sir Joseph Ward were only in New Zealand for the period of the short second session of that year and left immediately to attend the Peace Conference. Their return to New Zealand is not expected till the middle of August, 1919.

4. Before proceeding to state the exact question which arises for the consideration of the New Zealand Government and offering advice as to the reply which should be sent to the Imperial Government, I think it right to refer to the fact that at the Imperial Conference of 1918 (see p. clxxv of the report of the proceedings*) the Prime Minister of New Zealand himself moved a resolution on the subject of naturalization of enemy subjects, which was much discussed and finally amended and adopted by the Conference as Resolution No. XIX (see p. vii), the Government of Canada abstaining from voting and the Government of South Africa recording dissent. The resolution as amended was as follows: "This Conference is of opinion that legislation should be passed throughout the Empire restricting for a period after the War, so far as in the circumstances of each country may be possible, the naturalization of citizens of present enemy countries, and also the acquisition by them of any form of political rights or of land or mining privileges." This resolution was partially given effect to in the United Kingdom by sub-section (2) of section 3 of the Imperial amending Act of 1918; but that section does not prevent the acquisition by an alien enemy subject of land or mining privileges in the United Kingdom. The amending Act was passed on the 8th August, 1918, and there was no possibility of communication with the Governments of the Dominions between the date of the resolution of the Conference in July, 1918, and the passing of the Act. It appears probable, therefore, that the Secretary of State in the despatch of the 31st October, 1918,† is referring in paragraph 3 to further legislation which the Imperial Parliament may pass hereafter if an agreement is come to at later meetings of a Special Conference of Representatives from the Dominions. And I desire to express my opinion that, if later meetings of that Special Conference of specially qualified persons are still to be held, it is essential that the Government of New Zealand should be represented at such meeting by a person or persons able to appreciate the effect of the legal and constitutional questions which will be discussed as affecting this Dominion.

5. The original resolution of the Imperial Conference of 1917, which is referred to in Resolution XX of the Conference of 1918, appears on page xiii of the Report of the Proceedings of 1917‡ in the following terms: "The Conference recognizes the desirability and importance of securing uniformity of policy and action throughout the Empire with regard to naturalization. It is resolved that the proposals set forth in the memorandum submitted by the Home Office be commended to the consideration of the respective Governments summoned to the Conference."

6. I was not a Law officer of the Crown in the year 1917, and did not see the proposals of the memorandum of the Home Office referred to in the resolution of 1917. But with regard to the first paragraph of the resolution of the Conference of 1917, it is so manifest that uniformity throughout the Empire in the matter of naturalization of aliens is desirable that I have hesitated long before arriving at the contrary conclusion which I feel bound to submit to the New Zealand Government at the present time. Before the War I think there was no difference of opinion in any part of the Empire. At all events we in New Zealand were then willing to accept the Imperial Act of 1914 in substance and in letter. But the conditions created by the War, and circumstances which have arisen in consequence of the War, have made it essential that each Dominion of the Empire should consider with the utmost care the subject of naturalization of aliens in relation to its possible effect upon that individual Dominion, and consequently the attainment of the ideal of uniformity of legislation must, in my opinion, be postponed. New Zealand is a country capable of carrying a far larger population than its present numbers. It is still a country to which immigrants flock and are welcomed, and it is probable

* [Cd. 9177.].

† No. 308 in Dominions No. 61.

‡ Dominions No. 62.

that in the future, as in the past, our newcomers will be—many of them—by birth aliens. We have no desire to bar our shores to foreigners, but there should be the strongest possible objection to the grant of political and other rights of a British subject in New Zealand to a foreigner unless and until he has first been subjected during a term of residence in New Zealand to such tests of qualification for admission to the franchise as the New Zealand Parliament finds it desirable from time to time to impose. And, further, it is at the present time obvious that it will be necessary in New Zealand to discriminate between classes of foreign nations in determining the tests of qualification for admission to the rights of a British subject in New Zealand. It appears to me that it is possible that a foreigner in England (for example) may by his conduct satisfy the Secretary of State that he is entitled in England to naturalization as a British subject, while he may be still a person whom the New Zealand Government might properly desire to be subjected to a further period of residence in New Zealand and further tests of qualification before he should be admitted to the rights of a British subject in New Zealand. If it be answered that the adoption by New Zealand of the English Act will not prevent New Zealand separately legislating in the direction of requiring further tests, because by section 26 of the English Act of 1914 it is provided that nothing in the Act shall disentitle the Legislature of a British possession to treat differently different classes of British subjects, I answer that that may be true (though I am by no means satisfied that a Court would necessarily construe section 26 in that way), but that it appears to me inconsistent to first adopt the principle that the grant of naturalization in any one part of the Empire shall create the status of a British subject in any other part, and simultaneously to legislate declaring that the grant of naturalization in part A of the Empire shall not alone be effectual to confer in part B the rights of a British subject.

PART II.—THE EXISTING LEGISLATION.

(a) Imperial Legislation.

The right of the Legislatures of British colonies or possessions abroad to legislate on the subject-matter of privileges of naturalization to be exercised and enjoyed within the limits of such colonies or possessions was first expressly recognized and conferred by the Imperial Act of 1847, 10 and 11 Vict., cap. 83. That recognition of the legislative power of British possessions was repeated in the English Naturalization Act of 1870, section 16, which continued in force with some slight modifications until repealed by the British Nationality and Status of Aliens Act, 1914. The Act of 1914, again, by section 26 affirmed the full powers in this respect of Colonial Legislatures.

The Imperial Naturalization Act, 1870, contained in section 7 the provision that an alien to whom a certificate of naturalization is granted should in the United Kingdom be entitled to all political and other rights, powers and privileges, and be subject to all obligations to which a natural-born British subject is entitled or subjected in the United Kingdom, with the qualification that he should not when within the limits of the foreign State of which he was originally a subject be deemed to be a British subject unless he had ceased to be a subject of that State in pursuance of the laws thereof or in pursuance of a treaty to that effect. In section 10 the national status of married women and infant children was defined. In the second section it was provided that real and personal property of every description might be acquired, held, and disposed of by an alien (i.e., a foreigner not naturalized) in the same manner in all respects as a natural-born British subject, with a proviso that the section should not confer any right on an alien to hold real property situated out of the United Kingdom, and should not qualify an alien out of the United Kingdom for any office or franchise.

The British Nationality and Status of Aliens Act, 1914, was finally passed on the 7th August, 1914. It repealed the Act of 1870 and all previous Acts on the subject. Copies of the Act as proposed to be introduced had been sent to the various dominions before the session of the Imperial Parliament of 1914. In Part I a natural-born British subject is defined. Part II makes provision for naturalization of aliens. Attention is specially directed to section 9, which provides that Part II of the Act shall not, nor shall any certificate of naturalization granted thereunder, have effect within any of the dominions specified in the First Schedule unless

the Legislature of that dominion adopts Part II. New Zealand is one of the dominions named in the First Schedule. Part III is general, and deals, amongst other matters, with the national status of married women and infant children (sections 10 to 12 inclusive) and with the status of aliens (sections 17 and 18). Section 26 provides in sub-section (1) that nothing in the Act should take away or abridge any power vested in or exercisable by the Legislature or Government of any British possession, or affect the operation of any law at present in force passed in exercise of such power, or prevent any such Legislature or Government from treating differently different classes of British Subjects. Sub-section (2) of section 26 provides that all laws made by the Legislature of a British possession for imparting to any person any of the privileges of naturalization to be enjoyed by him within the limits of that possession shall within those limits have the authority of law. Sub-section (3) provides that where any parts of His Majesty's dominions are under both a central and a local Legislature the expression "British possession" shall for the purposes of this section include both all parts under the central Legislature and each part under a local Legislature, with a proviso that this is not to be taken to validate laws passed by a local Legislature in any case where the central Legislature possesses exclusive legislative authority with respect to naturalization. I am not aware at present whether by the respective constitutions of the Dominion of Canada, or the Commonwealth of Australia, or the Union of South Africa, the central Legislature has exclusively reserved to it the subject of naturalization, but if in any of the three cases that reservation has not been made it will be seen that an alien might be naturalized in an individual State of any of those three great self-governing dominions. That point is of minor importance, but cannot be wholly ignored in consideration of the possible effect if the New Zealand Legislature adopted Part II of the Imperial Act of 1914.

In 1918 the Imperial Parliament under the circumstances hereinbefore detailed (see p. 1) passed the Amendment Act, 8 and 9 Geo. V, cap. 38. The whole law of naturalization in the United Kingdom is now to be found in the Act of 1914 as amended by the Act of 1918.

(b) New Zealand Legislation.

In the year 1866 the Parliament of New Zealand passed the Aliens Act, 1866, in a form the precedent for which I am unable to trace. In 1870 was passed the Aliens Act, 1870, making special provision that every alien friend might acquire property, real and personal, in the same manner as if he were a natural-born subject of the British Sovereign. In the year 1880 a Consolidation Act was passed under the title of the Aliens Act, 1880. There is no substantial difference between the effect of the Act of 1880 and that of the later Act under the consolidation of 1908, intitled the Aliens Act, 1908 (which later Act contains the present law of New Zealand, with certain modifications created by recent war legislation), though there is considerable difference in the language and arrangement of the two Acts. The consolidating Act of 1908 adopted (as the previous consolidating Act of 1880 had) the precedent of the Act of 1866, and therefore our present Act of 1908 differs in its language and in its arrangement from the Imperial Act of 1914. Though I cannot advise the adoption by the New Zealand Legislature of Part II of the Imperial Act of 1914, and though I think that in some essential matters the New Zealand legislation should not be in exact accord with the Imperial legislation, I think it is clear that so far as possible the language and the arrangement of the New Zealand statute should be identical with the Imperial statute, and it is for that reason that, as will later appear, I advise that our present New Zealand Act should be repealed, and a new Act passed practically identical in language and form with the Imperial Act except in respect of the matters of substantial difference which I think must continue to exist.

The provisions of the Aliens Act, 1908, have been materially affected by certain war legislation—firstly, by the Revocation of Naturalization Act, 1917, No. 8; secondly, by the Registration of Aliens Act, 1917, No. 12—which, however, relates only to aliens who are not naturalized; thirdly, by the War Legislation Act, 1917, Part I, which empowers the Supreme Court to declare forfeited to His Majesty any estate or interest, legal or equitable, which is incapable of being held as against the Crown by an alien who is a subject of a State with which His Majesty was then

at war, and makes future contracts for the acquisition of land by such aliens void and illegal; fourthly, by Part II of the same Act of 1917, dealing with the political status of enemy aliens; and, fifthly, by the War Legislation and Statute Law Amendment Act, 1918, Part I, which prohibits contracts for the acquisition of land by persons of enemy origin, notwithstanding that such persons are subjects of His Majesty or of a friendly State, whether by birth or otherwise.

PART III.—MATTERS TO BE NOW DETERMINED BY THE NEW ZEALAND GOVERNMENT.

A. *Whether the New Zealand Legislature shall adopt Part II of the Imperial Act of 1914.*

The object, intention, and effect of Part II of the Imperial Act is to enable naturalization of an alien as a British subject by the proper authority in any part of the Empire to be effectual throughout every part of the Empire, and to confer upon the aliens so naturalized the status of a British subject in every part of the Empire. Adoption of Part II by New Zealand would, unless limited by special legislation, surrender to the discretion of the authorities of any other part of the Empire New Zealand's present right to determine for herself what foreigners shall have the status and rights of British subjects naturalized in New Zealand. I cannot advise that surrender. I have in Part I of this memorandum indicated generally some reasons why New Zealand should continue to determine for itself who should have the full rights of New-Zealanders. It seems to me not desirable in a memorandum such as the present to attempt to define specific examples of the difficulties which I think might arise. I have already referred to the reply which I anticipate may be given by the Law Advisers of the Imperial Government—namely, that section 26 of the Imperial Act leaves it still open to the New Zealand Legislature to discriminate between different classes of British subjects, and therefore empowers the New Zealand Legislature to refuse to give full effect in New Zealand to letters of naturalization granted elsewhere. But if it be plainly necessary for New Zealand to so legislate I cannot see what advantage is to be gained by adopting Part II and thereby *prima facie* according full recognition to letters of naturalization wherever granted. The result may be the same whichever course is adopted—either (1) adoption of Part II and special legislation preventing Part II having its full effect in New Zealand, or (2) non-adoption of Part II and legislation making due provision for the grant of letters in New Zealand; but it appears to me that the second course is the more logical and the more consistent.

B. *What Alterations should be made in the Law of New Zealand respecting Aliens in New Zealand?*

I believe the Solicitor-General is of opinion that Part I and certain parts of the provisions of Part III of the Imperial Act, 1914, apply throughout the Empire. I am not sure whether Sir John Salmond has arrived at a definite conclusion upon this point, and I ought to say here that I should find some difficulty in adopting his view, having regard to the provisions of the Colonial Laws Validity Act, 1865 (cap. 63), and also to the express provisions of section 26 of the Act of 1914 itself. If there be a difference between the Solicitor-General and myself on the subject, such difference will be unimportant if the New Zealand Government adopts my advice, first to refuse to adopt Part II of the English Act, and secondly to repeal the Aliens Act, 1908, and thirdly to pass a new Aliens Act either under the same title as the Imperial Act or under the title of "The Aliens Act."

In such new Act Part I of the Imperial Act, defining a natural-born British subject, can be either recited or enacted in New Zealand in the precise terms in which it is found in the Imperial Act. In place of Part II of the Imperial Act we should substitute provisions for the grant of naturalization in New Zealand by the Governor-General of New Zealand or the Minister of Internal Affairs substantially in accord with the provisions of sections 2 to 7 inclusive. In place of sections 10, 11, and 12 of Part III of the Imperial Act, defining the national status of married women and infant children, we should, I think, in the New Zealand Act use the exact language of the Imperial Act.

As to sections 13 to 16 inclusive, dealing with loss of British nationality, I think it doubtful whether we should attempt to include anything by analogy to

those sections in a New Zealand Act. Clearly we could not legislate by analogy to section 15, and in a less degree the same difficulty appears to arise in regard to sections 13, 14, and 16. This special matter requires further careful consideration by the Law Officers of the Crown.

As to sections 17 and 18, under the heading of "status of Aliens," I think New Zealand should not use the language of the Imperial Act, though I do not think that there is any real distinction between the rights in this respect conferred by section 13 of the New Zealand Act of 1908 upon an alien friend and those conferred upon any alien by section 17 of the Imperial Act. In my view an alien should not be allowed to acquire real property in New Zealand (with the possible exception of inheritance) until such alien has been naturalized. The right to acquire personal property (with the exception of long leaseholds) should be allowed to a foreigner whether naturalized or not; but the subject-matter of freehold land in New Zealand is of real importance, and it seems to me to be essential that a foreigner arriving in New Zealand, though free to trade and live as he pleases, should not be allowed to acquire the freehold of land until by his residence for a prescribed term and his satisfaction of other tests he is found to be a person entitled to claim to be a British subject in New Zealand.

As to sections 19 to 24 of the Imperial Act, under the heading "Procedure and Evidence," in the new New Zealand Act, an endeavour should, I think, be made to provide by analogy similar procedure and evidence for the grant of naturalization in New Zealand.

We might re-enact section 25. Section 26 will, of course, be omitted. Sections 27 and 28 (the interpretation and repeal sections) would be transposed into their proper places in appropriate language according to our New Zealand form.

With regard to the provisions of the Imperial Amendment Act of 1918, I do not see any substantial reason for New Zealand in its new legislation adopting the provisions of section 1 of the Amendment Act relating to revocation of letters of naturalization. It is much simpler to insert in lieu thereof the provisions of our Revocation of Naturalization Act, 1917. The principal difference between the English Amendment Act of 1918 on this subject and our Act of 1917 is that the Imperial Act specifies certain definite grounds for which alone naturalization may be revoked, and also empowers the Secretary of State to refer the case for inquiry by a Committee presided over by a person who holds high judicial office. Whether the New Zealand Parliament can confer upon the Governor-General the powers conferred upon the Secretary of State by that part of section 1 of the Imperial Amendment Act which is headed "7A" must be the subject of further inquiry.

The amendments of the Imperial Act of 1914 effected by section 2 of the Imperial Amendment Act of 1918 should, with necessary modification, be observed and adopted in the new New Zealand Act.

Section 3 of the Imperial Amendment Act is the provision adverted to in Part I of this memorandum, requiring generally that no certificate of naturalization shall, before the expiration of a period of ten years after the termination of the present war, be granted to any subject of a country now at war with His Majesty, with exceptions in favour of persons who have served in His Majesty's Forces or in those of his Allies and of persons who are members of a race or community known to be opposed to the enemy Government, or who are by birth British subjects. This section might properly be included in the New Zealand statute.

C. *Special Additional Provisions required in New Zealand.*

Although the War Legislation Act, 1917, is not expressed to be temporary, yet its long title defines it as "An Act to make certain Additional Provisions rendered necessary or advisable by reason of the Continuance of a State of War." Part I of the Act of 1917 becomes ineffectual after peace, and is replaced practically by Part I of the War Legislation and Statute Law Amendment Act, 1918, prohibiting the acquisition without the licence of the Governor-General in Council of land by a person of enemy origin. But Part II of the Act of 1917, dealing with the electoral rights of alien enemies, should be continued in force for a term of years to prevent our present enemies voting after peace at our polls. It will require some amendment for that purpose. Part II of the War Legislation Act, 1917, and Part I of the War Legislation Act, 1918, should be repealed and re-enacted, and any new naturalization law passed in New Zealand should be made expressly subject to the provisions of that enactment.

There remains, I think, only the question whether the prohibition against the acquisition of land by persons of enemy origin should be further extended so as to include in such prohibition the acquisition of mining rights as recommended by the Imperial Conference of 1918 on Mr. Massey's motion.

PART IV.—SUMMARY.

I therefore advise:—

- (1) That the New Zealand Government decide not to adopt Part II of the Imperial Act, 1914.
- (2) That His Excellency be informed accordingly, and respectfully requested to cable to that effect to the Secretary of State, informing the Secretary of State that a memorandum containing the reasons for that decision will be forwarded by mail.
- (3) That copies of this present memorandum as printed be sent to His Excellency to be forwarded to the Secretary of State.
- (4) That, if the Secretary of State does not object, a copy of this memorandum be laid on the table of both Houses of Parliament.
- (5) That a New Zealand Aliens Act be prepared for consideration of Parliament, repealing the present Aliens Act, 1908, and enacting new provisions following as far as possible the language and form of the Imperial Act of 1914 as amended by the Imperial Act of 1918, but restricting the rights of foreigners in New Zealand as advised in this memorandum, and recognizing for purposes of naturalization only the grants of naturalization made in New Zealand in accordance with the conditions and terms of the New Zealand Act, and also making the provision for revocation above advised: one of the sections of the Act to expressly provide that it shall be subject as regards persons of enemy origin to the provisions of another Act of the same session.
- (6) That such other Act of the same session should re-enact with necessary modifications the provisions of the Acts of 1917 and 1918 disqualifying certain enemy subjects from exercising the franchise and from acquiring land without licence; and should also contain a provision following the terms of section 3 of the Imperial Amendment Act of 1914, preventing the grant of a certificate of naturalization to present enemy subjects until ten years after peace.

There remains one point for the Government to decide—whether the prohibition of acquisition of land is to be extended by the new Act to include prohibition of the acquisition of mining privileges. I leave this point without comment for the decision of Cabinet.

F. H. D. BELL.

ADDENDUM.

Attorney-General's Office, Wellington, 22nd July, 1919.

Validity of the New Zealand Revocation of Naturalization Act, 1917.

I append as a separate document, but as part of the memorandum to Cabinet on the subject of Naturalization of Aliens, a copy of the despatch from the Secretary of State, dated 24th April, 1918,* and of the Solicitor-General's opinion thereon, dated 30th July, 1918, in which I concur.

F. H. D. B.

APPENDIX X TO MEMORANDUM.

Crown Law Office, Wellington, 30th July, 1918.

The Under Secretary of Internal Affairs.

Revocation of Naturalization Act, 1917.

THE despatch of the Secretary of State for the Colonies of the 24th April, 1918, relative to this Act contains the following comment with respect to the validity of the Act:—

* No. 187 in Dominions No. 61.

"Although the provisions in the New Zealand Act with regard to the national status of the wife of a naturalized British subject substantially agree with what is proposed in the Imperial Bill, it has been argued that until this Bill becomes law they may be held to be inconsistent with section 10 of the Imperial Act of 1914 and are not in fact valid. Although this point is one which may never be raised, it might of course at any time come up in a Court of law, which could alone decide it. Similar considerations arise with regard to section 2 (d) of the New Zealand Act, which, when read with section 3, enables the Executive to cancel the British nationality which a woman of foreign origin may have acquired by marriage to a natural-born British subject."

As to this I desire to offer the following observations:—

If the New Zealand Act, so far as it relates to the nationality of married women, could on its true construction be read as affecting British nationality acquired by women under the provisions of the British Nationality and Status of Aliens Act, these provisions would be clearly *ultra vires* and void as in conflict with the Imperial Act. British nationality conferred by the Imperial Act cannot be taken away by New Zealand legislation. I do not think, however, that the New Zealand Act correctly interpreted extends to any such case. It is true that paragraph (d) of section 2 includes within the term "naturalized British subject" a woman naturalized by her marriage to a British subject. The whole section, however, is governed by the introductory words "British subject naturalized in New Zealand." I understand these words to limit the operation of the Act to persons who possess the status of British nationality in New Zealand only and by virtue of New Zealand legislation only. The only alien woman who are "naturalized in New Zealand" by their marriage to British subjects are those who marry aliens who have become naturalized in New Zealand, and it is to them only that the New Zealand Act applies. Alien women who have married natural-born British subjects are by virtue of section 10 of the Imperial Act British subjects throughout the Empire and are not included within the scope of the recent New Zealand Act.

As so construed, therefore, the New Zealand Act does not seem to be *ultra vires*. It is true that section 10 of the Imperial Act provides that the wife of a British subject shall be deemed to be a British subject, and makes provision that when her husband ceases during the marriage to be a British subject she may make a declaration of her intention to retain British nationality. This section, however, has no application to British subjects who are such by naturalization in a Colony only. The term "British subject" is defined in section 27 of the Imperial Act as meaning a natural-born British subject or a person to whom an Imperial certificate of naturalization has been granted. The status of the wife of an alien naturalized in a Colony is a matter wholly dependent upon colonial legislation.

JOHN SALMOND,
Solicitor-General.

60743

No. 269.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(No. 588.)

MY LORD DUKE,

Downing Street, 8th December, 1919.

I HAVE the honour to request Your Excellency to inform your Ministers that His Majesty's Government have learnt with much satisfaction that it was found possible during the first session of the Dominion Parliament of 1919 to amend the Canadian Acts relating to British Nationality, Naturalization and Aliens on the lines of the Imperial Act of 1918.*

2. It is noted with reference to Section 8 (4) B of the new Act 9-10 George V, c. 38, that it was stated in the course of the Debate in the Canadian House of Commons, on the 1st of July, that it is proposed to ask His Majesty's Government to amend the Imperial legislation so as to leave Canada free to omit the provision contained in the Section above mentioned. As regards this point I may observe that

* 9-10 Geo. V., ch. 38 (amended by 10 Geo. V., ch. 3.).

it was explained in the Home Office Memorandum on the Imperial Act of 1918, a copy of which was enclosed in Mr. Long's despatch Dominions No. 631 of 31st October, 1918,* that the provisions in Section 3 of the Imperial Act, corresponding to Section 8 (4) (A) and (B) related only to the United Kingdom, and were not intended to form part of the Imperial Law of Naturalization.

I have, &c.,
(for the Secretary of State)
L. S. AMERY.

72370

No. 270.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 12.30 p.m., 27th December, 1919.)

TELEGRAM.

(Paraphrase.)

WITH reference to your Secret despatch of 28th August,† Attorney-General's memorandum suggests complete reversal of policy of Imperial citizenship, which has been affirmed at three consecutive Imperial Conferences, and until there has been further opportunity of considering question at next Conference that may be held, I would venture strongly to deprecate individual legislation by New Zealand Government. It would not appear possible for the Law Officers to advise upon the main question, as to the adoption of Part II of the Imperial Act, as this is one of policy for your Government to decide. Minor points raised in the memorandum would appear to be matters which could be dealt with more conveniently by the Special Conference on Nationality and Naturalization which held one meeting 31st July, 1918, as stated in the second paragraph of the memorandum, and which, it is hoped, may re-assemble in connexion with the next Imperial Conference that may be held. If Attorney-General or some expert in questions of nationality and naturalization could attend on his behalf at the next meeting of the Conference it would be of great advantage; and in the meantime Attorney-General may like to circulate a memorandum for consideration of the Special Conference on any points which he may desire to bring before it. If so, I shall be happy to arrange for circulation if a copy is sent to me. I observe in this connexion that Attorney-General does not appear to have seen the Minutes of Proceedings of the first meeting of the Special Conference and papers circulated in connexion with it which were sent to Sir J. Ward. Copies being sent by mail.—SECRETARY OF STATE FOR THE COLONIES.

44070

No. 271.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

[Answered by No. 272.]

(Canada. No. 493.)
(Commonwealth of Australia. No. 364.)
(New Zealand. No. 176.)
(Union of South Africa. No. 303.)
(Newfoundland. No. 133.)

[My Lord.] [Sir.]

Downing Street, 10th September, 1921.

As recorded in Section XII, page 9, of the Parliamentary Paper [Cmd. 1474], of which copies were enclosed in my despatch Dominions No. 335, of the 19th of August,‡ a memorandum prepared in the Home Office with reference to the nationality of children of British parents born abroad was considered by a Special Committee of the recent Imperial Conference, and the following resolution, which was finally approved by the main Conference, was adopted:—

* No. 308 in Dominions No. 61.

† No. 268.

‡ See Note on Page 226.

"The Committee, having considered the memorandum prepared in the Home Office, regarding the nationality of the children born abroad of British parents, commends in principle the proposals contained therein to the favourable consideration of the Governments of the Dominions and India."

2. The memorandum referred to is printed as Appendix VII of the same Parliamentary Paper.

3. I now have the honour to transmit to [Your Royal Highness,] [Your Excellency,] [you,] to be laid before your Ministers, copies of a draft Bill which has been prepared embodying the proposals contained in the memorandum.

4. This draft Bill amends the British Nationality and Status of Aliens Act, 1914 (as amended in 1918), which was the result of deliberations at successive Imperial Conferences and which aimed at establishing a uniform law of nationality throughout the Empire. Effect has been very largely given to this intention by the adoption of Part II of the Act of 1914 by all the self-governing Dominions, except New Zealand and the Union of South Africa. [To New Zealand and Union of South Africa only: And His Majesty's Government venture to express the hope that the Bill may afford a suitable opportunity for the further consideration of the matter by your Government with a view to giving full effect to the agreement embodied in the Act of 1914.]

5. The particular matter dealt with in the draft Bill came before the recent Conference solely on account of the urgency of the demands made by the British communities in various foreign countries for the preservation of the British status of their descendants born in these countries, and no other of the points of nationality law (such, for instance, as the nationality of married women) which have attracted attention since the passing of the Act of 1914, and which still await further consideration (in continuation of the special Conference in 1918) were brought before the Conference. The Bill is strictly limited to the scope of the proposals set out in the Home Office memorandum.

6. It is hoped that an early opportunity of pursuing the other points will be found, but it is not considered desirable to delay the present Bill and so reduce what prospects there may be of passing it into law in the next Session of the Imperial Parliament.

7. The Secretary of State for Home Affairs has furnished the following observations on certain points in connexion with the draft Bill which require perhaps some explanation beyond that contained in the Home Office memorandum:—

(a) The recasting of Section 1 (1) (b) of the existing Act in the form set out in Clause 1 of the Bill has been rendered necessary for the sake of clearness and does not involve any change in the law beyond what is required to carry the present proposals into effect.

(b) Paragraph (ii) of the Proviso which is added to the Principal Act by Clause 1 (2) of the Bill has been inserted in order to take advantage of any opportunity there may be of reducing the number of cases of dual nationality resulting from the operation of the proposed amendment. It is, therefore, provided that a person shall not have the benefit of the new provisions if he possesses the faculty of discarding any other nationality which he may possess and does not make use of it.

(c) The provision contained in lines 36 and onwards on page 2 of the Bill is intended to enable the children of the second generation born abroad of British parents before the passing of the Bill to acquire the British nationality which they were prevented from acquiring by the repeal (without re-enactment) of the Act 13, Geo. III. c. 21, by the Act of 1914, and to this extent the Act will be retrospective.

(d) The effect of the present scheme will be to enable the British nationality of successive generations born abroad to be maintained so long as the prescribed conditions are fulfilled. The absolute stop placed at the second generation by the law obtaining before the Act of 1914 is removed.

8. I shall be glad to receive an early expression of your Ministers' views on the draft Bill. Copies of the revised instructions to Consuls regarding the registration of births of British subjects abroad were enclosed in my despatch Dominions No. 357, of the 29th August.*

I have, &c.,

WINSTON S. CHURCHILL.

* 41895/21, not printed: this forwarded chap. XXXI of the Consular Instructions (revised in July, 1921).

Enclosure in No. 271.

DRAFT OF A BILL TO AMEND THE BRITISH NATIONALITY AND STATUS OF ALIENS ACTS, 1914 AND 1918.

A.D. 1921.

Be it enacted by the King's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

Amendment
of definition
of natural-
born British
subject.
4 & 5 Geo. 5,
c. 17,
8 & 9 Geo. 5,
c. 38.

1. (1) Section one of the British Nationality and Status of Aliens Act, 1914 (hereinafter referred to as the "principal Act"), as amended by section two of the British Nationality and Status of Aliens Act, 1918, shall be further amended as follows:—

"(1) The following paragraph shall be substituted for paragraph (b) of subsection (1):—

"(b) Any person born out of His Majesty's dominions whose father was, at the date of that person's birth, a British subject, and who fulfils any of the following conditions, that is to say, if either—

"(i) his father was born within His Majesty's allegiance; or

"(ii) his father was a person to whom a certificate of naturalization had been granted; or

"(iii) his father had become a British subject by reason of any annexation of territory; or

"(iv) his father was at the time of that person's birth in the service of the Crown; or

"(v) his birth was registered at a British consulate within twelve months after its occurrence; and"

(2) The following provisions shall be inserted at the end of subsection (1):

"Provided also that if any person whose British nationality is conditional upon registration at a British consulate—

"(i) does not assert his British nationality by a declaration of retention of British nationality made within one year of attaining the age of twenty-one or within such extended period as may be authorized by regulations made under this Act, and registered in such manner as may be prescribed by such regulations; and

"(ii) is a subject or citizen of a foreign country under the law of which he can, without being naturalized in another country, divest himself of the nationality of that foreign country by making a declaration of alienage, or otherwise, and does not, before he attains the age of twenty-two, divest himself of such nationality accordingly;

he shall cease to be a British subject as from the time when he attains the age of twenty-two."

"Provided also that in the application of this section to any territory where there is no British Consulate, but there is a British Resident or other representative of His Majesty, references to the office of such resident or representative shall be substituted for references to a British Consulate.

"Paragraph (b) of this subsection shall apply to any person born out of His Majesty's dominions on or after the first day of January nineteen hundred and fifteen who would have been a British subject if born before that date, but for the purposes of the requirement that such person's birth must be registered at a British consulate, this provision shall apply to persons born before the day of nineteen hundred and twenty-one as though for the words 'twelve months after its occurrence' there were substituted the words 'twelve months after the day of nineteen hundred and twenty-one.'"

2. (1) At the end of subsection (1) of section twenty-seven of the principal Act, the following words shall be inserted:—

"The expression 'British Consulate' means the office of any British consular officer where a register of births is kept."

(2) The following words shall be substituted for the words in paragraph (1) of section two of the British Nationality and Status of Aliens Act, 1918, down to and including "inserted," that is to say:—

Consequen-
tial amend-
ments.

"At the end of section one the following subsection shall be inserted:—"

3. (1) This Act may be cited as the British Nationality and Status of Aliens Act, 1921, and the principal Act, the British Nationality and Status of Aliens Act, 1918, and this Act may be cited together as the British Nationality and Status of Aliens Acts, 1914 to 1921.

(2) Every enactment and word which is directed by the British Nationality and Status of Aliens Act, 1918, or by this Act to be substituted for or added to any portion of the principal Act, shall form part of the principal Act in the place assigned to it by the British Nationality and Status of Aliens Act, 1918, or this Act; and the principal Act, and all Acts, including this Act, which refer thereto shall, after the commencement of this Act, be construed as if the said enactment or word had been enacted in the principal Act, in the place so assigned, and where it is substituted for another enactment or word, had been enacted in lieu of that enactment or word.

A copy of the principal Act, with the amendment, whether by way of substitution, addition or omission, required by the British Nationality and Status of Aliens Act, 1918, and by this Act, shall be prepared and certified by the Clerk of the Parliaments and deposited with the Rolls of Parliament, and His Majesty's printer shall print, in accordance with the copy so certified, all copies of the principal Act, which are printed after the commencement of this Act.

(3) This Act shall come into operation on the day of nineteen hundred and twenty-one.

Short title,
printing,
commence-
ment and
repeal.

57966

No. 272.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 22nd November, 1921.)

(No. 717.)

SIR,

Governor-General's Office, Pretoria, 2nd November, 1921.

I HAVE the honour to transmit to you herewith, with reference to your despatch No. 303, of 10th September,* copy of a minute from Ministers on the subject of the draft Bill to be introduced into the Imperial Parliament providing for the nationality of children born abroad of British parents.

I have, &c.,
ARTHUR FREDERICK,
Governor-General.

Enclosure in No. 272.

MINUTE No. 1047.

Prime Minister's Office, 31st October, 1921.

WITH reference to His Royal Highness the Governor-General's minute No. 48/1212, of the 11th October, 1921, on the subject of the amendment of the British Nationality and Status of Aliens Acts, 1914 and 1918, Ministers have the honour to state that they concur in the terms of the draft Bill providing for the nationality of children of British parents born abroad.

Ministers have to add, for the information of the Secretary of State, that it is proposed to include the terms of the amendments in the Bill to be introduced into the Union Parliament at the forthcoming session.

In regard to paragraph 4 of the Secretary of State's despatch No. 303, of the 10th September, 1921, Ministers desire to add that, as previously advised,† they have agreed to the adoption of Part II of the Act of 1914, and have been awaiting a suitable opportunity of introducing the necessary legislation.

J. C. SMUTS.

* No. 271.

† Ministers' minute announcing their decision to adopt Part II. of the British Nationality and Status of Aliens Act, 1914, was transmitted to the Secretary of State for the Colonies under cover of Lord Buxton's Secret despatch of the 20th January, 1915. (No. 29 in Dominions No. 61.)

RESOLUTION XXI.: RECIPROCITY OF TREATMENT BETWEEN INDIA AND THE DOMINIONS.

The Imperial War Conference is of opinion that effect should now be given to the principle of reciprocity approved by Resolution XXII of the Imperial War Conference, 1917. In pursuance of that Resolution it is agreed that:—

1. It is an inherent function of the Governments of the several communities of the British Commonwealth, including India, that each should enjoy complete control of the composition of its own population by means of restriction on immigration from any of the other communities.

2. British citizens domiciled in any British country, including India, should be admitted into any other British country for visits, for the purpose of pleasure or commerce, including temporary residence for the purpose of education. The conditions of such visits should be regulated on the principle of reciprocity as follows:—

(a) The right of the Government of India is recognized to enact laws which shall have the effect of subjecting British citizens domiciled in any other British country to the same conditions in visiting India as those imposed on Indians desiring to visit such country.

(b) Such right of visit or temporary residence shall, in each individual case, be embodied in a passport or written permit issued by the country of domicile and subject to ~~use~~ there by an officer appointed by and acting on behalf of the country to be visited, if such country so desires.

(c) Such right shall not extend to a visit or temporary residence for labour purposes or to permanent settlement.

3. Indians already permanently domiciled in the other British countries should be allowed to bring in their wives and minor children on condition (a) that not more than one wife and her children shall be admitted for each such Indian and (b) that each individual so admitted shall be certified by the Government of India as being the lawful wife or child of such Indian.

4. The Conference recommends the other questions covered by the memoranda presented this year and last year to the Conference by the representatives of India in so far as not dealt with in the foregoing paragraphs of this Resolution to the various Governments concerned with a view to early consideration.

Secretariat Note.—This matter was further discussed at the Imperial Meetings 1921. See page 8 of Cmd. 1474. The correspondence on the subject is printed in Dominions No. 70.

RESOLUTION XXII.: IMPERIAL COURT OF APPEAL.

The Conference is of opinion:—

(1) That the question of replacing the present dual system of appeal by the constitution of one Imperial Court of Appeal demands the prompt consideration of His Majesty's Government.

(2) That the Lord Chancellor should be invited to prepare and circulate to the Governments of the Dominions and of India, as soon as possible, a memorandum of such proposals as in the opinion of His Majesty's Government are practicable for that purpose with a view to decision at the next Imperial Conference.

(3) That each such Government as soon as possible thereafter shall communicate to the Government of the United Kingdom its views with regard to such proposals.

Secretariat Note.—No correspondence between the Secretary of State and the Dominion Governments took place subsequent to the despatch Dominions No. 630 of 13th October, 1918 (see Dominions No. 61, page 243).

The Lord Chancellor received a communication from the Canadian Government on the subject in reply to his memorandum of 30th August, 1918, but no further action has been taken (see 15254/19).

IV.

SHORTHAND REPORTS OF IMPERIAL CONFERENCE DEBATES.

(See pages 244-246 of *Dominions No. 61.*)

2869

No. 273.

UNION OF SOUTH AFRICA.

GENERAL BOTHA (PRIME MINISTER) to MR. WALTER LONG.

DEAR MR. LONG, Savoy Hotel, Strand, W.C., 10th January, 1919.
WITH reference to the attached minute of the 12th September, 1918,* on the subject of the abolition of shorthand reports of debates of the Imperial Conference, which was handed to me just prior to my departure from South Africa, I have the honour to state that, in the opinion of General Smuts and myself, Sir Robert Borden's proposal should be accepted. We think that all that need be recorded are the motions moved and the resolutions taken and voted upon.

Yours, &c.,

LOUIS BOTHA.

Enclosure in No. 273.

(Confidential.)
(No. 3/2421.)

Governor-General's Office, Pretoria, 22nd October, 1918.

MINUTE.

THE Governor-General transmits herewith, for the consideration of Ministers, a copy of a Confidential despatch from the Secretary of State for the Colonies, dated 12th September, 1918,* on the subject of the abolition of shorthand reports of debates of the Imperial Conference.

BUXTON,

Governor-General.

5799

No. 274.

INDIA OFFICE to COLONIAL OFFICE.

(Received 28th January, 1919.)

SIR, India Office, Whitehall, London, S.W.1, 27th January, 1919.

I AM directed by the Secretary of State for India to refer to your letter, dated 12th September, 1918,† on the question whether the shorthand reports of the debates of the Imperial Conference should be abolished.

I am to say that Mr. Secretary Montagu, after consulting the Government of India, concurs in Sir Robert Borden's proposal that these reports should be discontinued.

I have, &c.,

J. E. FERARD.

9492

No. 275.

COMMONWEALTH OF AUSTRALIA.

MAJOR H. C. THORNTON (PRIVATE SECRETARY TO THE SECRETARY OF STATE) to
THE RIGHT HONOURABLE W. M. HUGHES (PRIME MINISTER).

[Answered by No. 276.]

(Confidential.)

DEAR MR. HUGHES,

Downing Street, 24th March, 1919.

LORD MILNER desires me to forward, for your consideration, the enclosed copy of a despatch* sent by Mr. Long to Australia and other Dominions in

* No. 310 in *Dominions No. 61.*† No. 312 in *Dominions No. 61.*

September last, as to a suggestion of Sir Robert Borden that the shorthand reports of the debates of the Imperial Conference should be abolished, together with a copy of a despatch* on the subject received from the Governor-General of the Commonwealth.

Yours, &c.,

H. C. THORNTON.

23461

No. 276.

COMMONWEALTH OF AUSTRALIA.

THE RIGHT HONOURABLE MR. HUGHES (PRIME MINISTER) to
LORD MILNER.

(Received 17th April, 1919.)

(Confidential.)

DEAR LORD MILNER,

Hotel Majestic, Paris, 8th April, 1919.

I AM in receipt of Major Thornton's letter of the 24th March,† enclosing copy of a despatch of 12th September, 1918, sent by Mr. Long to Australia and other Dominions, as to a suggestion by Sir Robert Borden that the shorthand reports of the debates of the Imperial Conference should be abolished; and also a despatch of 2nd December, 1918,* from the Governor-General of Australia, stating that the Commonwealth Government concurred in the proposal, subject to my agreement.

I have considered the proposal carefully, and do not think that it ought to be agreed to. It is a matter which, in my opinion, each Imperial Conference ought to have the right to decide for itself; and the proper way to bring it up is to place it on the agenda paper of the Imperial Conference.

I note that Sir Robert Borden is said to have stated that his colleagues at the Conferences of 1917 and 1918 entirely agreed with him that much time was wasted, and that this waste was due in no inconsiderable degree to the fact that the speeches were recorded.

I was not present at the 1917 Conference, but at the 1918 Conference I did not express such an opinion. There was a debate, at the opening of the Conference, about the extent to which the debates and proceedings of the Conference should be issued to the Press from day to day. I did—in common with other members—express the view that full daily reports in the Press would lead to "talking to the gallery," and would be undesirable. But the question of abolishing the official shorthand report of the proceedings was not raised in the Conference, and I do not remember its having been discussed among the members.

Yours, etc.,

W. M. HUGHES.

23461

No. 277.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Confidential (2).)

SIR,

Downing Street, 22nd May, 1919.

WITH reference to Your Excellency's Confidential despatch of the 2nd December,* relative to the abolition of the shorthand reports of the debates of the Imperial Conference, I have the honour to transmit to you, for the information of your Ministers, the accompanying copy of correspondence† with Mr. Hughes.

2. The Governments of the Union of South Africa, Newfoundland, and India have expressed their agreement with the proposal made by Sir R. Borden last year, but the Government of New Zealand is opposed to it.

* No. 316 in *Dominions No. 61.*

† No. 275.

‡ Nos. 275 and 276.

3. In the circumstances it seems necessary, as Mr. Hughes suggests, that the matter should be held over until the next Conference meets, and accordingly His Majesty's Government propose to defer until then an expression of their own views on Sir R. Borden's proposal. It must, however, be borne in mind that should the next Conference be the Special Imperial Conference contemplated under Resolution IX. of the Imperial War Conference, 1917,* to deal with the Constitutional Relations of the Empire, it will doubtless be necessary to arrange in any case for a verbatim report of the proceedings to be taken.

I have, &c.,

MILNER.

* Page xiii in Dominions No. 62.

V.

IMPERIAL MEETINGS, 1921.

Preliminary Arrangements.

18764/S

No. 278.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 7.15 p.m., 4th March, 1920.)

TELEGRAM.

[Answered by No. 279.]

(Paraphrase.) (Extract.)

SECRET. 4th March. Following from General Smuts for Lord Milner *Begins:* . . . I consider that it is very desirable that Imperial Conference on Constitutional Relations in the Empire should be held latter portion of this year. The subject of new status of Dominions is being largely canvassed in Dominions and is involved in reservations raised in American Senate, and there is some risk of misunderstanding inside the Empire which should be avoided by holding Conference early. Present British Cabinet has been largely responsible for great constitutional changes in Empire during the War and armistice, and it is right that they should finish the great work by taking the lead in definite settlement of constitutional relations in Empire at an early date. I hope therefore that, as to Conference and date, other Dominions will be consulted as soon as possible. . . . *Ends.*—BUXTON.

18764/S

No. 279.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 27th March, 1920.)

TELEGRAM.

[Answered by No. 282.]

(Paraphrase.) (Extract.)

SECRET. 27th March. Following for your Prime Minister. *Begins:* With reference to your telegram of 4th March,* have consulted Prime Minister.

With regard to Imperial Conference we both feel considerable doubt whether the special Constitutional Conference contemplated in Resolution IX. of Imperial Conference of 1917 could be held before next year with any advantage, in view of the inevitable pre-occupation both of Parliaments and of the public all over the Empire with urgent problems of reconstruction and resettlement. We do feel, on the other hand, that there are many matters of Imperial consequence such as position with regard to League of Nations, the situation in Russia and the Near East, question of the renewal in 1921 of the Anglo-Japanese Treaty, in addition to matters of inter-Imperial concern which make it very desirable that the Prime Ministers of the Empire should meet again in the course of the present year. In fact this would only be in accordance with the conclusions arrived at in 1917 as to the desirability of the Imperial Conference and Cabinet meeting annually.

Such a meeting will also be desirable from the point of view of the subsequent Constitutional Conference both for a preliminary discussion of the subjects to be raised and to settle the actual composition of the Constitutional Conference, for instance whether Conference, like other Conferences, should be purely governmental or should include representatives of other parties and in fact be conference of small parliamentary delegations.

* No. 278.

Further, a short time ago, when raising the question of a meeting of the Imperial Conference in the coming autumn, the Canadian Government suggested that it might be convenient to hold it at Ottawa. The Prime Minister replied that he was much attracted by the idea of meeting the Prime Ministers of the Empire at Ottawa, and that, if circumstances made it practicable and it was convenient for others, so far as he was concerned he would be ready to go there, though he did not feel in a position at present to commit himself in any way, for the international and the internal situation may make it impossible for him to be absent from this country for some weeks at that time. The Prime Minister added that he would consult his colleagues in the other Dominions as to how far such an arrangement would suit them. The Government of Canada have now again inquired as to whether it would be convenient to hold the meeting at Ottawa, have suggested October as the time and have extended an invitation to the Prime Ministers to go there. The Prime Minister, therefore, has requested me to ascertain the views of the Governments of the Empire on this proposal. As we cannot foresee the international situation so far ahead, it is, of course, impossible to settle anything finally at this moment. But I should be glad to know whether you would attend such a meeting, whether you would agree to its being held in Ottawa if it were otherwise practicable, and if October would be suitable date. I personally think the end of September would be better. Prime Minister is cabling in similar terms to New Zealand and Australia as to Canadian suggestion.—MILNER.

18764/S

No. 280.

COMMONWEALTH OF AUSTRALIA: NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 7.15 p.m., 27th March, 1920.)

TELEGRAM.

[Answered by Nos. 281 and 283.]

27TH MARCH. Secret. Following from Prime Minister for your Prime Minister. *Begins*: Question of date and meeting place of next Imperial Conference was recently raised informally by Canadian Government and suggestion made that this Conference might meet at Ottawa. In view of the inevitable pre-occupation both of the public and of Parliaments all over the Empire with urgent problems of resettlement and reconstruction, I do not consider that the special Constitutional Conference contemplated in Resolution IX. of the Imperial War Conference of 1917 could be held with any advantage before next year. On the other hand I do feel that there are many matters of Imperial consequence; I need only mention the position with regard to the League of Nations, the question of the renewal in 1921 of the Anglo-Japanese Treaty, the situation in Russia and the Near East as instances, not to speak of matters of inter-Imperial concern which make it very desirable that the Prime Ministers of the Empire should meet again in the course of the present year. This would, in fact, only be in accordance with the conclusions arrived at in 1917 as to the desirability of the Imperial Cabinet and Conference meeting annually. I am much attracted by the suggestion that this meeting should take place in Ottawa in the coming autumn and if such an idea proves to be practicable on other grounds and convenient to all concerned, I will, personally, be very ready to go there, though I do not feel in a position to commit myself in any way at present, for the international and internal situation may make it impossible for me to leave this country for some weeks at that time. I replied in this sense to Canadian Government expressing my willingness to consult my colleagues in the other Dominions as to how far such an arrangement would suit them, and Canadian Government have now again inquired as to whether it would be convenient for the meeting to be held at Ottawa, have extended an invitation to the Prime Ministers to go there and have suggested October as the time. It is, of course, impossible to settle anything final at this moment as we cannot, of course,

see the international situation so far ahead, but I should be glad to know whether you would attend such a meeting, whether, if it were otherwise practicable, you would agree to its being held in Ottawa, and whether October would be a suitable date. Personally, I think the end of September would be better. I should also, of course, be glad to hear from you now or subsequently with regard to any subjects which you consider should be discussed at our meeting.

I am wiring in similar terms to [To Australia: New Zealand and South Africa.] [To New Zealand: Australia and South Africa.] Ends.—MILNER.

18764/S

No. 281.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.47 p.m., 31st March, 1920.)

TELEGRAM.

[Answered by No. 285.]

(Paraphrase.)

VERY Secret. With reference to your telegram of the 27th of March,* following from my Prime Minister for Mr. Lloyd George. *Message begins*: With reference to your message conveyed to me by the Secretary of State for the Colonies, have no objection to the next Imperial Cabinet or Conference being held at Ottawa. As a matter of fact, if the Conference is to be held this year, Ottawa would, for several reasons, suit New Zealand even better than London, but I am very doubtful whether I should be able to get away. At the present time there is very serious unrest in New Zealand and I think it would be unwise for me to go outside of the Dominion for even three or four months if the position does not improve before September or October. Moreover, it is almost certain that the New Zealand Parliament will be in session from June to November. I am of opinion that the proposed Conference should be postponed until the following year if possible. I realize the importance of the other questions, and without having enough inside information to be able to express a definite opinion, I consider that the Anglo-Japanese Treaty should be renewed. The question of the League of Nations rests almost entirely with the United States, and I am not inclined to recede from the position which was taken up by us at the Peace Conference. New Zealand and Australia are concerned vitally in the defence of the Pacific, and on this matter some definite understanding should be arrived at. The question of inter-Imperial shipping and other matters are also waiting to be dealt with. *Message ends*.—LIVERPOOL.

18764/S

No. 282.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 2.45 p.m., 3rd April, 1920.)

TELEGRAM.

[Answered by No. 285.]

(Paraphrase.)

3RD APRIL. Secret. Following in answer to your telegram of March 27th,† from the Prime Minister. *Begins*: Contents of your telegram have been noted. I wish to make following observations with regard to questions at the end. I do not see what purpose would be served by holding the annual meeting of the Prime Ministers away from London. The meeting is informal and confidential and does not mark any special occasion. Questions of the Imperial policy to be discussed would require reference to foreign and other Ministers. This might be

* No. 280.

† No. 270.

difficult at Ottawa. It would be different with Constitutional Conference. This will be great public landmark in history of the Empire, and might well be held next year in premier Dominion. It should be remembered also that the Dominions have much business to transact in London and the meeting of the Prime Ministers in London affords a much more suitable opportunity for such business than a meeting at Ottawa would. I hope that the end of September or October would be suitable for me to come to London though I prefer end of September. But at present I doubt whether it would be possible during that time for me to go to Canada. *Ends.*—BUXTON.

19208/S

No. 283.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8.20 p.m., 14th April, 1920.)

TELEGRAM.

[Answered by No. 285.]

(Paraphrase.)

Most Secret. With reference to your telegram, 27th March,* following from my Prime Minister for Prime Minister of United Kingdom. *Begins:* I am greatly surprised at the suggestion that the Prime Ministers should meet at Ottawa in September-October this year in the face of the very clear understanding that the meeting was to be held in London next year. As I have made all my arrangements on that basis it will be impossible for me to attend. In any case as the visit of the Prince of Wales, which does not terminate until August, precludes my absence I could not leave Australia as suggested. Very important work in Parliament will be interrupted for some weeks by the Prince's visit and it is imperative that I should, after the departure of His Royal Highness, visit the Pacific Islands in September. I hope you will find it possible to make arrangements for the Imperial Cabinet meet next year in London as previously agreed (to this).—HUGHES. *Ends.*—MUNRO-FERGUSON.

19208/S

No. 284.

CANADA.

THE SECRETARY OF STATE to THE OFFICER ADMINISTERING THE GOVERNMENT.

(Sent 4.15 p.m., 28th April, 1920.)

TELEGRAM.

(Paraphrase.)

28TH APRIL. Secret. Please inform your Acting Prime Minister with reference to recent correspondence between Perley and Rowell that Prime Minister of United Kingdom has been in communication with Prime Ministers of New Zealand, Commonwealth of Australia, and Union of South Africa regarding Canadian Government's suggestion that next meeting of Imperial Cabinet and Imperial Conference should be held at Ottawa this year.

The replies received show that other Prime Ministers see insuperable difficulties in holding any meeting this year, and Prime Minister of the Commonwealth of Australia is most anxious that meeting of Imperial Cabinet should take place in London next year.

On the other hand, there seems to be general agreement that it is most desirable to hold special Constitutional Conference agreed upon under Resolution IX, Imperial War Conference, 1917, next year. As to place for meeting of this Conference, Union of South Africa and, we gather, New Zealand, would be prepared to accept Ottawa, and it is possible that above-mentioned objection of Australia may not apply to place of meeting special Conference, and might in any case be overcome.

* No. 280.

In the circumstances it seems clear (1) that no meeting of Imperial Cabinet can be held this year; (2) that meeting of Imperial Cabinet and also special Constitutional Conference should take place next year if possible.

Question of place for meetings, both of special Conference and Cabinet, must remain undecided for the moment. His Majesty's Government hope, however, that Government of Canada will keep open invitation that meeting should take place at Ottawa.—MILNER.

12908/S

No. 285.

COMMONWEALTH OF AUSTRALIA, NEW ZEALAND AND THE UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 4.15 p.m., 28th April, 1920.)

TELEGRAM.

(Paraphrase.)

28TH APRIL. Secret. Following for your Prime Minister, with reference to my telegram of 27th March.* From replies received it is clear that difficulties in way of holding plenary session of Imperial Cabinet this year insuperable, and I have informed Canadian Government accordingly.

As regards arrangements for next year and in particular as to date and place of meeting of special Constitutional Conference contemplated under Resolution IX, of Imperial War Conference, 1917, I will communicate with you later on.—MILNER.

40496/S

No. 286.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6.29 p.m., 13th August, 1920.)

TELEGRAM.

[Answered by No. 287.]

(Paraphrase.)

PRIME MINISTER sends following message:—*Begins:* Secret. Urgent. League of Nations meeting. Should be glad to be informed firstly as to probable duration of meeting, and secondly whether it would be possible to arrange for meeting of Imperial Cabinet after conclusion of League of Nations meeting in order to discuss those questions which are to be submitted some time next year to Imperial Conference or Cabinet.—HUGHES. *Ends.*—GOVERNOR-GENERAL.

40496/S

No. 287.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 2.20 p.m., 19th August, 1920.)

TELEGRAM.

[Answered by No. 290.]

(Paraphrase.)

19TH AUGUST. Secret. With reference to your telegram of the 13th August,† please inform your Prime Minister that the League of Nations Secretariat find it difficult to estimate how long first meeting of assembly likely to last. There is a long agenda and the Secretariat think that the meeting might continue as long as four or five weeks and cannot last less than a fortnight.

* Nos. 273 and 280.

† No. 286.

I am communicating to the other Dominion Governments the suggestion of your Prime Minister that an Imperial Cabinet should be held London after Assembly to discuss questions to be submitted to Imperial Conference or Cabinet next year, and His Majesty's Government will be very glad to hold meetings of Imperial Cabinet if Dominion Governments wish to send representatives to London at that time. We shall be glad in any event, however, to take the opportunity of discussing informally with your Prime Minister matters referred to and any others outstanding.—MILNER.

40496/S

No. 288.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL,
AND ADMINISTRATOR.

(Sent 2.20 p.m., 19th August, 1920.)

TELEGRAM.

[Answered by Nos. 291, 293, and 299.]

(Canada.)
(Union of South Africa.)
(New Zealand.)

(Paraphrase.)

SECRET. My telegram of 28th April.* Prime Minister of Commonwealth of Australia has inquired by telegraph whether it would be possible to arrange for a meeting of Imperial Cabinet after the conclusion of meeting Assembly League of Nations next November, in order to discuss questions to be submitted to Imperial Conference or Cabinet some time next year. After consultation with Mr. Lloyd George, I have replied that I am communicating suggestion to other Dominion Governments, and that His Majesty's Government will be very glad to hold meetings of Imperial Cabinet if they wish to send representatives to London at that time.

Please let me know by telegraph as soon as possible your Government's views.
—MILNER.

40496/S

No. 289.

NEWFOUNDLAND.

THE SECRETARY OF STATE to THE GOVERNOR.

(Sent 2.20 p.m., 19th August, 1920.)

TELEGRAM.

19TH AUGUST. Secret. Prime Minister of Commonwealth [*the rest of the telegram was identical with No. 288.*]

41828/S

No. 290.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.15 p.m., 23rd August, 1920.)

TELEGRAM.

[Answered by No. 296.]

(Paraphrase.)

FOLLOWING from my Prime Minister. *Begins:* Your telegram 19th August,† League of Nations. I am afraid my telegram‡ was not quite clear. What I intended to suggest was that if Prime Ministers of other Dominions were going to Geneva I would in that case endeavour to come also, so that we might meet

* Nos. 284 and 285. † No. 287. ‡ No. 286.

in London afterwards to deal (*group undecipherable*) all those matters which it is suggested should be dealt with next June. This would obviate our coming to London in the New Year. If the other Dominions are not going to be represented at League of Nations by Prime Ministers proposed meeting could not, of course, take place. *Ends.*—GOVERNOR-GENERAL.

41961/S

No. 291.

NEW ZEALAND.

THE ADMINISTRATOR to THE SECRETARY OF STATE.

(Received 8.15 a.m., 24th August, 1920.)

TELEGRAM.

[Answered by No. 297.]

(Paraphrase.)

SECRET. With reference to your telegram of 19th August,* regarding meeting in November of Imperial Cabinet, Mr. Massey fears it will not be possible for him to be absent during the latter part of this year from New Zealand, but my Prime Minister will endeavour to make other arrangements for the representation of New Zealand at the meetings, should they be held as suggested by Mr. Hughes.
—STOUT.

41828/S

No. 292.

CANADA: UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 3.35 p.m., 25th August, 1920.)

TELEGRAM.

[Answered by Nos. 294 and 299.]

(Paraphrase.)

25TH AUGUST. With reference to my telegram of 19th August.* I now learn from the Prime Minister of the Commonwealth of Australia that his suggestion that the Commonwealth should be represented at Geneva was conditional upon other Dominions being represented by their respective Prime Ministers, in which case he would endeavour to come also. I should be glad to hear from you as soon as possible. The Prime Minister of New Zealand cannot attend this year.—MILNER.

42621/S

No. 293.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.20 a.m., 27th August, 1920.)

TELEGRAM.

[Answered by No. 295.]

(Paraphrase.)

25TH AUGUST. Secret. With reference to your telegram of 19th August,* Prime Minister will not be able to attend the meeting of Assembly of League of Nations, and South Africa will be represented either by another Minister or by the High Commissioner. Prime Minister will be unable to attend therefore meeting of Imperial Cabinet suggested. He thinks danger is if other Prime Ministers attend now that some of them will not attend next year the much more important meeting, and that this would be most regrettable.—Buxton.

* No. 288.

42858

No. 294.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 7.40 p.m., 28th August, 1920.)

TELEGRAM.

[Answered by No. 295.]

28TH AUGUST. Your telegram 25th August,* Canadian Prime Minister will not attend at Geneva.—DEVONSHIRE.

42858

No. 295.

CANADA: UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 30th August, 1920.)

TELEGRAM.

(Paraphrase.)

30TH AUGUST. [To Canada: With reference to your telegram 28th August.†]

[To Union of South Africa: With reference to your telegram 25th August and my telegram 25th August‡],

Prime Minister of [Union of South Africa] [Canada] is also not attending Geneva. Commonwealth Prime Minister has been informed accordingly.—MILNER.

42858

No. 296.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.30 p.m., 30th August, 1920.)

TELEGRAM.

(Paraphrase.)

FOLLOWING for your Prime Minister. With reference to your telegram 23rd August,§ I have ascertained that Prime Ministers, Union of South Africa, New Zealand and Canada are not going to Geneva.—MILNER.

42858

No. 297.

NEW ZEALAND.

THE SECRETARY OF STATE to THE ADMINISTRATOR.

(Sent 30th August, 1920.)

TELEGRAM.

(Paraphrase.)

WITH reference to your telegram 24th August,|| Commonwealth Prime Minister telegraphed subsequently that his suggestion was conditional on Prime Ministers of other Dominions attending Geneva, in which case he also would endeavour to come. I have ascertained that Prime Ministers, Union of South Africa and Canada also are not attending. Commonwealth Prime Minister has been informed accordingly.—MILNER.

* No. 292. † No. 294. ‡ Nos. 293 and 292. § No. 290. || No. 291.

42858

No. 298.

NEWFOUNDLAND.

THE SECRETARY OF STATE to THE GOVERNOR.

(Sent 30th August, 1920.)

TELEGRAM.

(Paraphrase.)

30TH AUGUST. With reference to my telegram 19th August,* Commonwealth Prime Minister telegraphed subsequently that his suggestion was conditional on Prime Ministers of other Dominions attending Geneva, in which case he also would endeavour to come. I have ascertained that Prime Ministers, Canada, Union of South Africa and New Zealand are not attending, and Commonwealth Prime Minister has been informed accordingly. It is presumed, therefore, that suggestion thus falls to the ground.—MILNER.

43190/S

No. 299.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 31st August, 1920.)

TELEGRAM.

(Paraphrase.)

30TH AUGUST. Secret. Your telegrams of 19th August and 25th August.† I am informed by my Prime Minister that it will be impossible for him to attend the proposed meeting this year of the Imperial Cabinet. My Government are doubtful whether the proposed Constitutional Conference can with advantage be held New Year. They are impressed with the importance of the issues to be discussed and if possible determined at such a Conference, and they think that their consideration at the Conference should, in Dominions at least, be preceded by the fullest opportunity for discussions by the people concerned as represented in Parliament and also (in) Press.—DEVONSHIRE.

52800/S

No. 300.

COMMONWEALTH OF AUSTRALIA.

MR. HUGHES to MR. LLOYD GEORGE.

(Received 8th October, 1920.)

TELEGRAM.

[Answered by No. 308.]

(Paraphrase.)

SECRET. Several Press cables report Amery as having said *inter alia* (1) that Conference would not be held next year, but (2) that Dominion Prime Ministers might meet in London to confer with you, view to formulate for submission to respective Parliaments of decisions arrived at.

I do not know how far Press statements coincide with your views, but I think it most undesirable that any statements should be made by Colonial Office to Press unless and until Dominions have had opportunity to settle something definitely with you. It is most embarrassing to be asked questions in House *re* Conferences or meetings on Imperial relations when one is entirely in the dark as to what your intentions are.

* No. 289. † Nos. 288 and 282.

In my opinion it is absolutely essential that Dominions Prime Ministers should meet in London next year.

We ought not, in fact, we dare not, allow ourselves to drift along. The necessity for a clear understanding—policy—call it what you will, on certain matters vitally affecting Empire, is urgent and obvious. We must at least try to evolve some workable scheme *re* foreign policy. The Dominions now are asserting themselves in a way—e.g., Canadian appointment at Washington—that may lead us anywhere. Then again the British Government shapes its foreign policy in main without consultation with or even notification to Dominions, whose very existence may be vitally affected thereby, e.g., Egypt, India.

I know, of course, the difficulties in the way of a common foreign policy are most formidable; the idea of an Imperial Parliament is chimerical, and in any case the Dominions would not look at it. I think, however, a working understanding would be possible, and machinery could be devised to make this practicable.

Of course, there are very many other questions to be considered besides relations with foreign countries, e.g., Empire shipping, trade resources, wireless defence—quotas for naval defence in particular—the British Empire is confronted by a host of enemies. Britain herself must fight for her trade and financial as well as national supremacy. We must circumvent our enemies. Empire problems are many and complex—they clamour for settlement, and I feel quite sure that as time goes on a solution will be less easy. I most earnestly recommend that you call a meeting of the Dominion Prime Ministers next year in London—say about June.

Delay for another year is most dangerous. For one thing Australia cannot be represented in 1922 as an election will then be in sight.

May I then ask you to make such arrangements as will ensure a meeting of the Prime Ministers next year? You are passing through most troublous days. The Irish question, industrial upheaval, trade and financial difficulties with which you are grappling, are simply appalling, but I feel sure you will win through. Kindest regards. Reply.—HUGHES.

52800/S

No. 301.

CANADA: NEW ZEALAND: UNION OF SOUTH AFRICA.
THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 3.15 p.m., 13th October, 1920.)

TELEGRAM.

[Answered by Nos. 302, 303, and 304.]

(Paraphrase.)

13TH OCTOBER. Secret. Following from Mr. Lloyd George for your Prime Minister. *Begins:* I have been anxious for some time that we should renew that personal consultation between Prime Ministers which was productive of such good results in the last two years of the War and at Paris. I fully realize that the British Government, in the absence of such consultation and of some machinery for giving it more continuity, must inevitably tend to take upon itself the responsibility for settling the many urgent questions of foreign policy which arise from day to day, and which require immediate decision, but which yet often involve consequences by which the whole Empire is vitally affected. This I feel to be fair neither to the Dominions nor to the British Government. I know, also, that there are many other matters of common interest which call for consultation and decision.

I have received from the Prime Minister of Australia a telegram* in which similar views are expressed, and he urges that a meeting of the Imperial Cabinet should be held next year.

* No. 300.

I would, therefore, suggest that we should hold a meeting of the Imperial Cabinet not later than June next year on the lines of the Imperial War Cabinet meetings in 1917-18. At such a meeting we could as far as possible clear the decks of the more urgent problems which will have accumulated, and we could try to devise some practical working method for arriving at a common Imperial policy in foreign affairs. The composition, agenda, and meeting place of the Constitutional Conference, which it was contemplated in 1917 should be held immediately after the War, but which I incline to think could hardly be held with advantage till public opinion in the Empire has had time to give somewhat more attention to the whole problem, could also be discussed.

Will you please let me know whether you can attend such a meeting of the Imperial Cabinet, and whether the approximate date which I have suggested would be convenient to you? *Ends.*—MILNER.

52189/S

No. 302.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 8 a.m., 23rd October, 1920.)

TELEGRAM.

[Answered by No. 306.]

(Paraphrase.)

23RD OCTOBER. With reference to your telegram of 13th October,* I am asked by my Prime Minister to say, for the information of Mr. Lloyd George, that owing to the fear that at any time an industrial upheaval may occur, Mr. Massey thinks at present that it will be almost impossible for him to leave New Zealand during next year. The Attorney-General (Sir Francis Bell) proposes to visit England early next year, and it could no doubt be arranged for him to act. The Prime Minister considers that he is well qualified capably to represent New Zealand either at the Imperial Conference, if held, or at meetings of the Imperial Cabinet. Sir James Allen is also fully qualified; in this respect there should therefore be no difficulty so far as the representation of this Dominion is concerned. Prime Minister will be better able to judge later on of the position, and will definitely advise me then.—JELlicoe.

52255/S

No. 303.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11 p.m., 23rd October, 1920.)

TELEGRAM.

[Answered by No. 307.]

(Paraphrase.)

23RD OCTOBER. Following for Prime Minister from my Prime Minister. *Begins:* Secret. With reference to your telegram 13th October,* I quite agree with you that it is desirable that a meeting of what has been called the Imperial War Cabinet should be held during the coming year. The most suitable time for the meeting would probably be the month of June. It is my purpose to attend if the meeting is called. I would urge that the agenda should be prepared with such precision and in such time that not more than two weeks or thereabouts should be required for our discussions. It is considered here that the Constitutional Conference could not be held with good results during the coming year. *Ends.*—DEVONSHIRE.

* No. 301.

52256/S

No. 304.

UNION OF SOUTH AFRICA.

THE OFFICER ADMINISTERING THE GOVERNMENT TO THE
SECRETARY OF STATE.

(Received 11.10 a.m., 24th October, 1920.)

TELEGRAM.

[Answered by No. 305.]

(Paraphrase.)

22ND OCTOBER. Secret. With reference to your telegram of 13th October, Secret.* General Smuts requests that Mr. Lloyd George may be informed that if the Prime Ministers Conference is held in latter part of June, 1921, he hopes to be able to attend. The Union Parliament will sit probably until the end of May, and if the Conference should be held before middle of June it would be difficult for him to attend.—INNES.

52255/S

No. 305.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE OFFICER ADMINISTERING THE
GOVERNMENT.

(Sent 5.20 p.m., 1st November, 1920.)

TELEGRAM.

(Paraphrase.)

FOLLOWING for your Prime Minister from Mr. Lloyd George. *Begins:* Secret. With reference to your telegram of 22nd October,† I have now received replies from other Prime Ministers. Hughes and Meighen can come about the middle of June, 1921. Massey is doubtful, but says that if he is prevented from coming New Zealand can be represented either by Bell, Attorney-General, or by Allen, the High Commissioner here. I have accordingly fixed the middle of June for our meetings as the date most generally acceptable, and shall expect you then. Meighen, I find, shares the doubt expressed in my telegram of 13th October* as to the expediency of holding Constitutional Conference just yet. He tells me that it is considered in Canada that Conference could not be held with good results during 1921. I propose to announce here officially on 8th November that this meeting will be held next June. *Ends.*—MILNER.

52255/S

No. 306.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 5.50 p.m., 1st November, 1920.)

TELEGRAM.

(Paraphrase.)

FOLLOWING from Mr. Lloyd George for your Prime Minister. *Begins:* Secret. Your telegram of 23rd October,‡ I have now received replies from other Prime Ministers. Hughes, Meighen and Smuts can come about the middle of June, 1921. I have, therefore, fixed this date for our meetings as being most generally acceptable. I will not give up the hope of your being able to attend personally, but if you find it impossible to come we shall welcome Allen or Bell as your representative.

* No. 301. † No. 304. ‡ No. 302.

Meighen, I find, shares the doubt expressed in my telegram of 13th October* as to the expediency of holding Constitutional Conference just yet. He tells me that it is considered in Canada that Conference could not be held with good results during 1921. I propose to announce here officially on 8th November that this meeting will be held next June. *Ends.*—MILNER.

52255/S

No. 307.

CANADA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 6.40 p.m., 1st November, 1920.)

TELEGRAM.

(Paraphrase.)

FOLLOWING for your Prime Minister from Mr. Lloyd George. *Begins:* Secret. Referring to your telegram 23rd October,† I have now received replies from other Prime Ministers. Smuts and Hughes can come about middle of June next. Massey doubtful, but says that if prevented from coming either Bell, Attorney-General, or Allen, High Commissioner here, can represent New Zealand. I have, therefore, fixed middle of June for our meetings as being most generally acceptable date, and shall expect you then. Agenda will be prepared and sent out beforehand, and I hope business can be got through with desired expedition. I propose on 8th November to announce here officially that this meeting will be held June next. *Ends.*—MILNER.

52255/S

No. 308.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 10 p.m., 1st November, 1920.)

TELEGRAM.

(Paraphrase.)

FOLLOWING from Mr. Lloyd George for your Prime Minister. *Begins.* Secret. The arrival of your telegram of 8th October‡ was opportune. For some time I have been anxious that we should renew that personal consultation between Prime Ministers which produced such good results in last two years of War and at Paris. I fully realize that in the absence of such consultation and of some machinery for giving it more continuity British Government must inevitably tend to take upon itself responsibility for settling many urgent questions of foreign policy arising from day to day which require immediate decision, yet which often involve consequences vitally affecting whole Empire. I feel this to be fair neither to British Government nor to Dominions. I know also that there are many other matters of common interest which call for consultation and decision.

Acting upon your suggestion I telegraphed to the other Prime Ministers proposing that a meeting of the Imperial Cabinet should be held not later than June, 1921, on lines of Imperial War Cabinet meetings 1917-18. At such a meeting we could clear the decks as far as possible of the more urgent problems which will have accumulated, and we could try to devise practical working method for arriving at common Imperial policy in foreign affairs. The composition, agenda, and meeting place of Constitutional Conference, which in 1917 it was contemplated should be held immediately after War, could also be discussed. Personally I incline to think that this Conference could hardly be held with advantage until

* No. 301. † No. 303. ‡ No. 300.

public opinion in the Empire has had time to give somewhat more attention to whole problem. Prime Minister of Canada is, I find, of same opinion. He tells me that in Canada it is considered that Constitutional Conference could not be held during 1921 with good results.

I have now received replies from other Prime Ministers. Smuts and Meighen can come about middle of June next. Massey doubtful, but says that if prevented from coming either Bell, Attorney-General, or Allen, High Commissioner here, can represent New Zealand.

I have, therefore, fixed middle of June for our meetings as most generally acceptable date, and shall expect you then. I propose on 8th November to announce here officially that this meeting will be held next June.

Most grateful for and heartily reciprocate your good wishes in present trying position. *Ends.*—MILNER.

52255/S

No. 309.

NEWFOUNDLAND.

THE SECRETARY OF STATE TO THE GOVERNOR.

(Sent 3 p.m., 2nd November, 1920.)

TELEGRAM.

[Answered by No. 313.]

(Paraphrase.)

SECRET. My telegram of 30th August.* Please inform your Prime Minister that Mr. Lloyd George is arranging meeting Imperial Cabinet about middle June next year. Mr. Lloyd George hopes it will be convenient your Prime Minister attend at time mentioned.—MILNER.

55400

No. 310.

HOUSE OF COMMONS,

11th November, 1920.

IMPERIAL CONFERENCE (JUNE, 1921.)

COMMANDER OLIVER LOCKER-LAMPSON asked the Prime Minister whether it is intended to summon an Imperial Conference next year; and, if so, upon what date.

THE PRIME MINISTER, in reply, said: I have been anxious for some time past to renew as soon as possible that personal consultation between Prime Ministers which produced such good results in the last two years of the War and at Paris. I recently made inquiries of my colleagues in the Dominions as to the date which would be most generally suitable for them, and I am glad to say that a meeting with the Prime Ministers of the Empire has been arranged for the middle of June, 1921.

56384

No. 311.

HOUSE OF COMMONS,

17th November, 1920.

MR. HURD asked the Prime Minister whether it is proposed that, simultaneously with the Imperial Conference of June next an accessory Conference of Ministers of the Empire shall be held to deal with matters of Imperial defence; and whether it is intended that this accessory Conference shall proceed on the lines of the Imperial Defence Conference of 1909, which sanctioned the policy of Dominion fleet units?

* No. 298.

MR. BONAR LAW, in reply, said: As there appears to have been some misunderstanding of the answer given to the honourable and gallant Member for Huntingdonshire on 11th November, I should like to explain that the meeting of Prime Ministers summoned for June, 1921, will be a meeting on the lines of the Imperial War Cabinet meetings, which took place in 1917 and 1918, to deal with the many urgent problems of common interest which call for the co-ordination of policy and action by the different Governments of the Empire. It will not be the special Constitutional Conference contemplated by Resolution IX of the Imperial War Conference, 1917. The agenda will, of course, be a matter for subsequent settlement with the Dominion Ministers. There is general agreement that Imperial defence matters will require joint examination in the near future, but I am not yet in a position to say precisely what arrangements will be made for their discussion.

MAJOR O'NEILL: Are we to understand from the right honourable gentleman that the very important question of the readjustment of the constitutional relations between different parts of the Empire will be debarred from being discussed at the forthcoming Conference?

MR. BONAR LAW: No, Sir. We have been in negotiation with the Dominions on this matter. There has been a good deal of interest in regard to it, and there is a general feeling that it would not be right to press it at present.

62964/S

No. 312.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 6.55 a.m., 24th December, 1920.)

TELEGRAM.

(Paraphrase.)

SECRET. Imperial Cabinet. With reference to my telegram of 23rd October,* my Prime Minister wishes me to state, for the information of the Imperial Prime Minister, that he regrets that unless something of serious moment should occur which would make his attendance at the meetings of the Imperial Cabinet particularly essential or desirable, it will not be possible for him to leave New Zealand next year. The fear of industrial upheaval is his main reason for this decision.—JELlicoe.

3902

No. 313.

NEWFOUNDLAND.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 24th January, 1921.)

(Confidential.)

MY LORD,

Government House, St. John's, 3rd January, 1921.

REFERRING to Your Lordship's telegram of the 2nd November,† I have the honour to inform you that my Prime Minister, Mr. R. A. Squires, returned to the Colony at the beginning of December, and I have now received from him a letter stating that in his anticipation the business of the House of Assembly, which will probably meet in the early spring, will be concluded in sufficient time to enable him to attend the Conference.

I have, &c.,

C. ALEXANDER HARRIS.

* No. 302.

† No. 300.

4253/S

No. 314.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 8.50 p.m., 25th January, 1921.)

TELEGRAM.

[Answered by No. 315.]

(Paraphrase.)

FOLLOWING for your Prime Minister from Mr. Lloyd George. *Begins:*
I trust earnestly that it will be possible for you to come to England for the Conference next June. I consider that questions of vital importance to the future of the Empire will have to be discussed and decided at the Conference, especially its policy in regard to defence, the Pacific, the United States, and the Anglo-Japanese Alliance. I feel it would be a great calamity if we were deprived of your advice and experience. *Ends.*—MILNER.

5709/S

No. 315.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 12.6 p.m., 4th February, 1921.)

TELEGRAM.

(Paraphrase.)

WITH reference to your telegram of 25th January,* following from my Prime Minister for Mr. Lloyd George. *Begins:*

My colleagues and I feel, in view of the nature of your telegram, that I ought to attend the Conference of Prime Ministers in London next June. Unfortunately the industrial situation presents great difficulties, but I hope to be present at the Conference unless a serious upheaval intervenes. *Ends.*—JELlicoe.

6571/S

No. 316.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL and GOVERNOR.

(Sent 1.55 p.m., 26th February, 1921.)

TELEGRAM.

[Answered by Nos. 317, 318, and 321.]

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

(Paraphrase.)

26TH FEBRUARY. Secret. Meetings of Prime Ministers next June. His Majesty's Government have had under examination question of Agenda, and it appears to them that following subjects are of first importance:—(1) Renewal of the Anglo-Japanese Alliance, see my Secret despatch Dominions No. 197, of 10th May,† and connected correspondence. (2) Naval, Military, and Air Defence. (3) Arrangements for securing a Common Imperial Policy in Foreign Affairs. (4) The composition, meeting place, and agenda of the Constitutional Conference contemplated in Resolution IX of Imperial War Conference, 1917.‡

* No. 314. † No. 266 in Dominions No. 75. ‡ See page XIII. in Dominions No. 62.

As in case of sessions of Imperial War Cabinet, 1917 and 1918, it is also proposed that opening meetings should include statements as to general position on the main issues of foreign and Imperial policy by the Prime Minister of the United Kingdom and other Ministers concerned.

Question of Inter-Imperial Communications by Land and Sea has been proposed by Australia, and "Position of British Indians in other parts of Empire" by India in addition to above subjects. I have suggested inclusion in former of Communications by Air.

Other matters which will or may require discussion are:—

- (a) The recommendations of the Oversea Settlement Conference recently held in London.
- (b) Development of Civil Aviation.
- (c) Reports of the Imperial Shipping Committee appointed as a result of Resolutions XI and XXIV* of the Imperial War Conference, 1918.
- (d) Findings of Technical Commission appointed in connexion with Imperial Wireless Scheme; see my telegram of 21st January, 1921.†
- (e) Reparation (division of any amount received between various parts of British Empire in particular).
- (f) Imperial Statistical Bureau.
- (g) Imperial Patents.

If your Prime Minister has any subjects not included in above list to suggest, we should be grateful if he would telegraph them and also furnish, as soon as possible, explanatory memoranda.

Memoranda on all questions named above, except those proposed by Australia and India, are being prepared here and they will be despatched as soon as ready.

It is suggested that, as questions of Defence and Civil Aviation both seem likely to need a good deal of detailed examination with Departments here, any expert advisers on these subjects required by your Prime Minister should reach United Kingdom, if possible, three weeks before commencement of actual meetings.

A similar telegram has been sent to the other Dominions.—CHURCHILL.

10298/S

No. 317.

NEW ZEALAND.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 6.50 a.m., 3rd March, 1921.)

TELEGRAM.

[Answered by No. 319.]

(Paraphrase.)

3RD MARCH. With reference to your telegram of 26th February,‡ agenda for June Conference. I have been asked by my Prime Minister to send following message:—*Begins:* I do not consider that it is necessary to bring from New Zealand advisers on naval and aerial questions and to do so would be difficult, but I am anxious to have at my disposal expert advice on these matters from officers who are conversant with local conditions. It would be of great use to me to have the assistance of Captain Dreyer, late Chief of Staff to Lord Jellicoe, and of Lieutenant-Colonel Robertson, late aerial adviser on his staff in H.M.S. "New Zealand," and I should be glad if whilst in England I may call on these officers for advice on technical details. I hope the reply will be in the affirmative, and I should be glad to have it at an early date. *Ends.*—JELlicoe.

* See pages XIV and XVII in Dominions No. 69. † 2842; not printed. ‡ No. 316: this telegram dealt with proposals of the Preliminary Conference at Washington on Electrical Communications. For terms of reference to this Commission, see No. 348.

12898/S

No. 318.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 1.30 a.m., 16th March, 1921.)

TELEGRAM.

[Answered by No. 320.]

(Paraphrase.)

14TH MARCH. June Meeting of Prime Ministers. With reference to your telegram of 26th February,* my Prime Minister and his colleagues will be prepared to make statements on questions of major importance. It is, however, pointed out by Prime Minister that in view of technical character of some of the questions which are proposed, the nature of the meeting, and the importance of limiting as much as possible its duration, it seems questionable whether there could be effective discussions or results.

Subjects which he has in mind are findings of Imperial Wireless Commission, development of civil aviation, and Imperial Patent Statistical Bureau. Canadian Government do not propose to send experts on these subjects.

My Prime Minister in this respect would be glad to know whether other Dominions have indicated their intentions in any way.—DEVONSHIRE.

12796/S

No. 319.

NEW ZEALAND.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 6.25 p.m., 16th March, 1921.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram of 3rd March,† Air Council and Lords Commissioners of Admiralty will be glad to place services of Robertson and Dreyer at your Prime Minister's disposal whilst here for technical advice. Air Council explain that Robertson is in command of a station, and it is assumed that occasions on which his advice will be required would not be so many as to cause interference with discharge of his ordinary duties to any considerable extent. Admiralty add that, as regards questions of Imperial naval policy advice of Naval Staff as a whole will be available.—SECRETARY OF STATE FOR THE COLONIES.

15664/S

No. 320.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 11.50 p.m., 2nd April, 1921.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram 14th March,‡ As regards particular subjects mentioned by your Prime Minister, no communications have been received from any other Dominion Governments to indicate their intentions. The subjects suggested were merely offered as matters that might require discussion at the June meetings.

It is noted that as regards these subjects your Prime Minister does not intend to bring experts.—SECRETARY OF STATE FOR THE COLONIES.

* No. 316.

† No. 317.

‡ No. 318.

19466/S

No. 321.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6 a.m., 21st April, 1921.)

TELEGRAM.

(Paraphrase.)

21ST APRIL. June meeting of Prime Ministers. Subjects for discussion. My Prime Minister considers that the subjects enumerated in your telegram of 26th February* are those which are considered by him as main importance. But (1) present Condominium control of New Hebrides and (2) improved inter-Imperial shipping communication are additional subjects which he would like to submit for discussion.—JELlicoe.

19466/S

No. 322.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 4.10 p.m., 26th April, 1921.)

TELEGRAM.

(Canada.)

(Commonwealth of Australia.)

(Union of South Africa.)

(Newfoundland.)

(Paraphrase.)

26TH APRIL. With reference to my telegram of 26th February,* Prime Minister of New Zealand proposes present Condominium control of New Hebrides as additional subject for discussion at meeting of Prime Ministers in June.—CHURCHILL.

20336

No. 323.

HOUSE OF COMMONS.

28th April, 1921.

IMPERIAL CABINET.

SIR NEWTON MOORE asked the Prime Minister whether, in view of the discrepancies in the various statements that purport to emanate from responsible Cabinet Ministers in different Dominions, outlining the subjects proposed to be discussed at the forthcoming Imperial Conference, he will give this House any information in regard to the subjects the Government propose to bring before the Conference?

SIR H. BRITAIN asked the Secretary of State for the Colonies whether he is able to give the House the date for the opening of the Imperial Conference?

THE UNDER SECRETARY OF STATE FOR THE COLONIES (Mr. E. Wood): No meeting of the Imperial Conference is contemplated this year, but, as the late Leader of the House explained in a reply on 17th November,† a meeting on the lines of the Imperial War Cabinets. Meetings will begin about the middle of June. With regard to subjects to be discussed, the most important will be the question of the renewal of the Anglo-Japanese Alliance, certain defence questions, arrangements for securing a common Imperial policy in foreign affairs, and the question of the composition, meeting place, and agenda of the Constitutional Conference contemplated in Resolution IX of the Imperial War Conference of 1917.

* No. 316.

† See No. 311.

LIEUTENANT-COLONEL A. MURRAY. How long is this body going to be known as the Imperial War Cabinet?

MR. WOOD: I cannot say. There has, I think, been some difficulty about the varied nomenclature, but there is no doubt as to what the body is. It is a conference of the Prime Ministers.

* * * * *

24378/S

No. 324.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE

(Received 12.40 a.m., 18th May, 1921.)

TELEGRAM.

(Paraphrase.)
(Extract.)

17TH MAY. * * * *

It is becoming increasingly improbable that my Prime Minister will get away for coming Conference. He hopes to speak definitely as to this in about a week's time -HARRIS.

25770

No. 325.

HOUSE OF COMMONS.

26th May, 1921.

IMPERIAL CABINET.

MR. ALFRED T. DAVIES asked the Secretary of State for the Colonies whether the business of the forthcoming Imperial Cabinet in London has been arranged; what are the subjects for discussion; and on which will definite decisions be taken?

THE SECRETARY OF STATE FOR THE COLONIES (Mr. Churchill): The Prime Ministers are alone competent to decide the business with which they will deal at their forthcoming meeting, but certain proposals on the subject have been made, the more important of which were stated in reply to a question in this House on 28th April.* I cannot undertake to forecast what action will ultimately be taken.

EARL WINTERTON: Is it intended to inform the House at all of any questions which are to be discussed, and does the right hon. Gentleman not think that this House would be abrogating its functions if it does not have an opportunity of discussing them?

MR. CHURCHILL: I will consider whether the suggested agenda, the draft agenda, can be laid before the House. Of course, I could not guarantee that it would be exhaustive, because there might be topics discussed which, perhaps, it would be better not to announce, though matters of public interest.

EARL WINTERTON: Would the right honourable Gentleman consider whether all questions to be publicly discussed at the Conference could be stated to this House beforehand, and that, if possible, the House be given an opportunity of expressing its views?

MR. CHURCHILL: The questions are not publicly discussed. They are confidential and secret discussions between the Prime Ministers.

* * * * *

* See No. 323.

26068

No. 326.

HOUSE OF COMMONS.

30th May, 1921.

IMPERIAL CABINET.

MR. ORMSBY-GORE asked the Prime Minister whether facilities will be given for a discussion in this House of the subjects mentioned in the agenda of the conference of Dominion Prime Ministers before that conference takes place?

COLONEL WEDGWOOD asked the Prime Minister whether, before the Premiers' Conference meets, he will give this House an opportunity to discuss the programme or subjects likely to come before that Conference, so that the British Parliament may not be precluded from stating in general terms the British view, just as the Canadian, Australian, and other Parliaments have stated the Canadian or Australian position?

THE PRIME MINISTER: If there is a general desire in the House for a discussion, I should be willing to try and arrange it, but unless more precise indications are given of the matter or matters which it is desired to discuss, it would seem useless to give a day.

MR. ORMSBY-GORE: Will the right honourable Gentleman follow the example of the Prime Ministers in the self-governing Dominions where, in each case, the Prime Minister himself made a statement as to the business to be examined and discussed at the Conference?

THE PRIME MINISTER: The answer which I have given indicates that if there is any desire by the House to have a discussion it will be arranged, but as our time is very limited I do not wish to press it.

COLONEL WEDGWOOD: Is the right honourable Gentleman aware that in all quarters of the House there is a desire to discuss the agenda of subjects which are likely to be brought before the Imperial Cabinet before the Imperial Cabinet meets?

26411

No. 327.

HOUSE OF COMMONS.

30th May, 1921.

IMPERIAL CABINET.

MR. HURD asked the Prime Minister whether, seeing that the term Imperial Cabinet, as officially applied to the forthcoming gathering of Empire statesmen in London, implies collective executive powers, and seeing that General Smuts has declared the term to be a complete misnomer, and that this gathering is purely advisory in character as regards the Dominion and Indian representatives who attend, he will, in order to avoid misapprehension overseas, call it an Imperial Cabinet Conference?

THE PRIME MINISTER: I propose to discuss with the other Prime Ministers how the forthcoming Conference should be described.

MR. HURD: What are we to call it in the meantime?

THE PRIME MINISTER: Simply call it a conference.

30205

No. 328.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 4.15 a.m., 17th June, 1921.)

TELEGRAM.

(Paraphrase.)
(Extract.)

MEETING of Prime Ministers. Your telegram of 7th April* and other correspondence. I cannot get from my Prime Minister any definite reply. He is, however, reported to have stated in the House of Assembly that he would not proceed to the United Kingdom this year. Possibly he has telegraphed to Prime Minister.—HARRIS.

* 16316: not printed. This telegram expressed the hope that Newfoundland Prime Minister could arrive not later than 15th June.

30359

No. 329.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 10.15 p.m., 17th June, 1921.)

TELEGRAM.

17TH JUNE. My telegram 16th June.* Have received intimation from my Prime Minister expressing regret that it is impossible in the circumstances attend Imperial Conference.—HARRIS.

Secretariat Note.—The published Proceedings of the "Conference of Prime Ministers and Representatives of the United Kingdom, the Dominions, and India" are in [Cmd. 1474]. (Sent to Dominions by despatch Dominions No. 335, of 19th August, 1921, with Hansard, Vol. 146, No. 123, of 18th August, containing the Prime Minister's statement on the work of the Conference. (C.O./41931/21.)) Copy No. 54 of the Secret record of the Proceedings (headed "Imperial Meetings, 1921," two volumes) is with Cab./54307/21. Correspondence arising out of the discussions on foreign policy (sections III, IV and V of Cmd. 1474) will be found in Dominions No. 82: on the position of British Indians (section IX) in Dominions No. 70: and on Oversea Settlement (section X) in Dominions No. 60. For section XIV (Conference on Constitutional Relations) see page 52 of this volume. The remainder of the printed correspondence arising out of the various sections follows.

* No. 328.

SUMMARY OF PROCEEDINGS AND DOCUMENTS.

[Cmd. 1474.]

717

*SECTION VI (a) IMPERIAL DEFENCE—NAVAL.

"That, while recognizing the necessity of co-operation among the various portions of the Empire to provide such Naval Defence as may prove to be essential for security, and while holding that equality with the naval strength of any other Power is a minimum standard for that purpose, this Conference is of opinion that the method and expense of such co-operation are matters for the final determination of the several parliaments concerned, and that any recommendations thereon should be deferred until after the coming Conference on Disarmament."

Secretariat Note.—See Defence Print (Dominions No. 72 and No. 82) and Washington Conference Section in Treaty Print (Dominions No. 75 and No. 81).

* This and subsequent "Sections" refer to the sections on pages 6-9 of [Cmd. 1474].

SECTION VII (a)—IMPERIAL AIR COMMUNICATIONS.

The Conference having carefully considered the Report* of the expert Sub-Committee on Imperial Communications are of the opinion that the proposals contained therein should be submitted for the consideration of the Governments and Parliaments of the different parts of the Empire.

On the understanding that the cost involved will be in the region of £1,800 per month they recommend that, pending such consideration, the existing material, so far as useful for the development of Imperial Air Communications, should be retained.

42107

No. 330.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL AND GOVERNOR.

(Canada.	} Dominions No. 369.)
(Commonwealth of Australia.	
(New Zealand.	
(Union of South Africa.	
(Newfoundland.	

[My Lord,] [Sir,]

Downing Street, 5th September, 1921.

I HAVE the honour to transmit to [Your Excellency,] [you,] for the consideration of your Ministers, copies of the Report* of the Imperial Air Communications Committee, which was submitted to the recent Conference of Prime Ministers and representatives of the United Kingdom, the Dominions, and India.

2. This Report has been reprinted, for convenience of reference, from the Parliamentary Paper ([Cmd. 1474]) entitled "Conference of Prime Ministers and Representatives of the United Kingdom and the Dominions and India—Summary of Proceedings and Documents," which was enclosed in my despatch Dominions No. 335 of the 19th August.†

3. The Resolution adopted by the Conference was in the following terms:—
"The Conference, having carefully considered the report of the expert Sub-Committee on Imperial Communications, are of opinion that the proposals contained therein should be submitted for the consideration of the Governments and Parliaments of the different parts of the Empire.

"On the understanding that the cost involved will be in the region of £1,800 per month they recommend that, pending such consideration, the existing material, as far as useful for the development of Imperial Air Communications, should be retained."

4. I enclose a copy of a question and answer in the House of Commons on the 16th August, on the subject of the aerodromes, sheds, and gear at Howden, Pulham, and Croydon.

I have, &c.,

WINSTON S. CHURCHILL.

Enclosure in No. 330.

HOUSE OF COMMONS.

OFFICIAL REPORT. 16TH AUGUST, 1921.

HOWDEN, PULHAM, AND CROYDON AERODROMES

VISCOUNT CURZON asked the Secretary of State for Air whether it is the intention of the Government to dispense with the aerodromes, sheds, and all gear now at Howden, Pulham, and Croydon in connexion with the handling of airships should the ships themselves be disposed of; and whether any use is made of the aerodromes pending the Empire decision?

Captain Guest: The reply to the first part of the question is that Howden will be given up, as it is not considered that it would be necessary to a future airship undertaking; that Pulham will be placed in charge of a care and maintenance party pending the result of the deliberations of the Dominion Governments, when, if the result is unfavourable, it will be disposed of; and that Croydon will be retained permanently as an aerodrome, the airship appliances being temporarily stored. The reply to the second part is in the negative so far as the Air Ministry is concerned, except for the tests which remain to be carried out in connexion with R 38.

* Page 45 of [Cmd. 1474.].

† 41931/21. See Note on Page 226.

61078

No. 331.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 5.15 p.m., 13th December, 1921.)

TELEGRAM.

[Answered by Nos. 333 and 335.]

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

13TH DECEMBER. Referring to my despatch of 5th September, Dominions No. 369,* Air Council represent that there will be great difficulty in preparing Air Estimates for 1922-23 in absence of decision by Dominion Governments on report† of Air Communications Committee, and are anxious to have by end of December forecast, at any rate, of probable decision. Air Council have asked me to obtain expression of your Ministers' views. Early reply requested.—SECRETARY OF STATE FOR THE COLONIES.

61078

No. 332.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL.

(Sent 5.16 p.m., 13th December, 1921.)

TELEGRAM.

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

13TH DECEMBER. My telegram of 13th December,‡ Airships, sent to [New Zealand and Union of South Africa] [Australia and Union of South Africa] [Australia and New Zealand] also.—SECRETARY OF STATE FOR THE COLONIES.

61923

No. 333.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL TO THE SECRETARY OF STATE.

(Received 12.19 p.m., 13th December, 1921.)

TELEGRAM.

13TH DECEMBER. Following for Prime Minister from my Prime Minister:—

Begins: Following motion carried unanimously by Senate and House of Representatives prior to close of Session on 10th December:—

"That this House, recognizing the vital importance to the British Empire of aerial communication views with concern the prospect of the abandonment of the proposals for the establishment of an Imperial Airship Service, and expresses the earnest hope that the period during which the airships and other existing material will be available will be extended, in order that Parliament may have an opportunity for discussing proposals to co-operate with Great Britain and with the other Dominions for the establishment of an Imperial Air Service."

I regret that pressure of other important public business precluded an opportunity for discussing inter-Empire airship communication before the close of the Session, but I do most strongly urge that your Government will accede to the request of the Commonwealth Parliament and extend the period, and that the airships, etc., be not scrapped or plant and experts dispersed until the Parliament of the Commonwealth and other Dominions have an opportunity of fully considering the scheme. *Ends.*

—GOVERNOR-GENERAL.

* No. 330.

† See page 45 of [Cmd. 1474.].

‡ No. 331.

61923

No. 334.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 4.10 p.m., 19th December, 1921.)

TELEGRAM.

(New Zealand.)

(Union of South Africa.)

19TH DECEMBER. My telegram 13th December.* Telegram† received from Prime Minister, Commonwealth of Australia, communicating text of motion carried unanimously by Commonwealth Senate and House of Representatives:—*Begins*: That this House (For text of motion see No. 333) for establishment of Imperial Air Service. *Ends*.

Mr. Hughes regretted that pressure of other important public business precluded opportunity for discussing inter-Empire airship communication before close of Session of Commonwealth Parliament, but urged that His Majesty's Government should accede to latter's request and extend period, and that airships, etc., be not scrapped or plant and experts dispersed until Commonwealth and other Dominion Parliaments have opportunity of considering scheme fully.—SECRETARY OF STATE FOR THE COLONIES.

63727

No. 335.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 4.20 a.m., 28th December, 1921.)

TELEGRAM.

28TH DECEMBER. Your telegram 13th December,* Air communications. In view of present financial position Government of New Zealand have decided with regret that they cannot make any contribution towards proposed Imperial Service.—JELlicoe.

63727

No. 336.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 12.30 p.m., 30th December, 1921.)

TELEGRAM.

(Commonwealth of Australia.)

(Union of South Africa.)

30TH DECEMBER. My telegram of 13th December.* In view of present financial position, Government of New Zealand have decided with regret that they cannot make any contribution towards Imperial Air Service.—SECRETARY OF STATE FOR THE COLONIES.

* No. 331.

† No. 333.

SECTION VII (b)—IMPERIAL WIRELESS SCHEME.

"It is agreed that His Majesty's Government should take steps for the erection of the remaining stations for which they are responsible as soon as the stations are designed; that the Governments of Australia, the Union of South Africa, and India should take similar action so far as necessary, and that the Governments of Canada and New Zealand should also co-operate."

The above scheme was accepted by the Prime Minister of the Commonwealth subject to giving full freedom of action to Australia to decide the method in which Australia will co-operate.

67151

No. 337.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(Sent 6.30 p.m., 22nd November, 1919.)

TELEGRAM.

[Answered by No. 338.]

(Canada.)

(Commonwealth of Australia.)

(Union of South Africa.)

(New Zealand.)

(Newfoundland.)

22ND NOVEMBER. Please inform your Ministers that His Majesty's Government have appointed Committee with following terms of reference:—

First.—Consider what high-power wireless stations desirable on commercial or on strategical grounds Empire should ultimately possess.

Second.—Prepare estimates capital and annual costs of each station, life of plant and buildings, as taken for calculation of depreciation, to include adequate allowance for obsolescence.

Third.—Examine probable amount of traffic and revenue which may be expected from each station.

Fourth.—Place the stations recommended in their order of urgency.

Committee merely technical. Its report will be, of course, communicated to your Government for consideration in due course.—MILNER.

72580

No. 338.

CANADA

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11.0 p.m., 20th December, 1919.)

TELEGRAM.

[Answered by Nos. 339 and 342.]

20TH DECEMBER. Your telegram 22nd November,* high-power radio-telegraph stations throughout Empire. My Ministers represent that this matter is one of great interest to Department of Naval Service in that there is at the present moment considerable agitation for establishment of high-power radio station on Pacific coast to provide communication with Orient owing to delays on cables. Several months ago Marconi Wireless Telegraph Company of Canada, Limited, filed application with that Department for licence to instal and operate medium-power station in British Columbia to communicate with San Francisco station of trans-Pacific chain of their affiliated American Company. This application was refused by Department of Naval Service on ground that it merely provided duplication of existing telegraph routes to San Francisco, and would in no way assist in relieving cable congestion to Orient. Company now advise that they

* No. 337.

propose to file in the immediate future application for licence to instal and operate trans-Pacific station to work directly with corresponding station in Japan, and it is understood that they are in negotiation with Government of Japan with a view to obtaining licence for latter station, or, failing this, working arrangement under which Government of Japan station will handle their traffic. Matter for establishment of high-power station on Pacific coast for naval work has been before Department of Naval Service for several years and need for same is apparent. Expense, however, of establishing and operating such station is considerable, and unless station can be used for commercial purposes and sufficient revenue messages were in sight to pay major portion of operating expenses it would be difficult to justify necessary expenditure. Department of Naval Service accordingly await with interest report of Committee. In the meantime will be glad to know if you are of opinion that Department should refrain from taking action in matter of granting licence to Marconi Company pending receipt of Committee's recommendations.—DEVONSHIRE.

1013

No. 339.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 4 p.m., 7th January, 1920.)

TELEGRAM.

7TH JANUARY. With reference to your telegram of the 20th December,* Trans-Pacific Wireless Station. Hoped that Department of Naval Service will take no action as regards grant of licence to Marconi Company pending report of Wireless Committee.—FOR THE SECRETARY OF STATE.

32594

No. 340.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

[Answered by Nos. 343, 346, and 347.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Newfoundland.)

(Extract.)

Dominions No. 274.

[SIR,] [MY LORD,] [MY LORD DUKE,] Downing Street, 3rd July, 1920.

With reference to my telegram of the 22nd of November, 1919,† I have the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, copies of a Parliamentary Paper [Cmd. 777] containing the report of the Imperial Wireless Telegraphy Committee, 1919-1920.

I have, &c.,

MILNER.

38664/S

No. 341.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL.

(Sent 6.15 p.m., 11th August, 1920.)

TELEGRAM.

[Answered by Nos. 343, 344, 345, 346, and 347.]

(Canada.)

(Commonwealth of Australia.)

(New Zealand.)

(Union of South Africa.)

(Paraphrase.)

CONFIDENTIAL. With reference to my Dominions despatch No. 274, of 3rd July,‡ His Majesty's Government have now examined proposals in report of

* No. 338.

† No. 337.

‡ No. 340.

Imperial Wireless Telegraphy Committee. Subject to Chancellor of Exchequer being satisfied as to practicability from technical point of view of carrying out Imperial Wireless scheme without the use (or with the use at reasonable cost) of certain master patents which the Marconi Company claim to be indispensable, His Majesty's Government are on their part now prepared to adopt recommendations as stated in pages 27, 28 of the report.

His Majesty's Government would be glad to learn at earliest possible date the views of your Government.

With regard to foreign countries, His Majesty's Government accept Committee's recommendation that long distance wireless communications should be left to private enterprise, and that licences, if desired, for erection of stations for such communications should be issued to commercial companies under suitable conditions, a special Committee being appointed to decide issue of licences in as far as United Kingdom is concerned.

A telegram is being sent to other Dominions in similar terms.—MILNER.

38664/S

No. 342.

CANADA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

(Sent 12.45 p.m., 4th September, 1920.)

TELEGRAM.

(Paraphrase.)

With reference to your telegram 20th December, 1919,* regarding Trans-Pacific Wireless Station. See report Imperial Wireless Telegraphy Committee, paragraph 43, enclosed in my despatch of 3rd July, Dominions No. 274.† Unless erection of high-power Government station on Pacific Coast is contemplated by Canadian Government there appears to be no reason why licence to instal and operate a station for communication with Japan should not be now granted to Canadian Marconi Company. No doubt Canadian Government will consider whether licence should contain, in addition to usual conditions with regard to non-interference with Government stations and similar matters, conditions providing for expropriation of stations on suitable terms by Government.—MILNER.

45350

No. 343.

NEW ZEALAND.

THE OFFICER ADMINISTERING THE GOVERNMENT to THE SECRETARY OF STATE.

(Received 10.34 a.m., 10th September, 1920.)

TELEGRAM.

(Paraphrase.)

Your despatch 3rd July, Dominions No. 274, and your telegram 11th August,‡ Imperial Wireless Committee, 1919-1920:—

First, New Zealand Government concurs in general principles of the scheme outlined in report.

Secondly, the existing New Zealand and Australian wireless stations referred to in the report (page 9) are designed largely to meet strategic emergencies, and are not adequately equipped for inter-colonial commercial work, or to compete with the submarine cable services operating between New Zealand and Australia, even though such competition were desirable or necessary.

Thirdly, from report it apparently follows that unless a New Zealand and an Australian station, say Awarua and Pennant Hills, be modernized as valve stations of the class proposed for the Imperial chain, and be devoted by mutual

* No. 338.

† No. 340.

‡ Nos. 340 and 341.

consent to the conduct of inter-colonial wireless traffic, there is no indication that New Zealand has been considered as a possible link in the proposed chain. Even though proposed scheme be modified to include New Zealand, in this way New Zealand would be the last link in the chain, and traffic between New Zealand and European centres would, as a natural consequence, be subject to a maximum delay, and this it is feared to such an extent as to render service unsatisfactory and unreliable from New Zealand's point of view.

Fourthly, apart from foregoing it is not apparent from the report proposed inclusion of New Zealand as a link in the Imperial chain of wireless communication is considered practicable or probable.

Fifthly, it is suggested as a practical alternative that when sufficient experience of the working of proposed valve stations has been obtained the possibilities of a wireless route from New Zealand to Canada and the United Kingdom via Awarua (New Zealand), Apia (Samoa), and Honolulu might well receive consideration as affording a more direct route and a greater probability of a satisfactory commercial service. The Awarua and Apia stations would under such a scheme require modernizing as already indicated. For strategic purposes in time of war the existing wireless service between New Zealand and Australia would still remain.—STOUT.

46299

No. 344.

COMMONWEALTH OF AUSTRALIA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 12.22 p.m., 17th September, 1920.)

TELEGRAM.

17TH SEPTEMBER, 1920. Your telegram 11th August.* Government of Commonwealth of Australia prepared to adopt Imperial Wireless Committee's recommendations for creation of Imperial wireless system, but not disposed concur in Committee's opinion regarding wireless communication with foreign countries pending further consideration. Would appreciate advice as to when his Majesty's Government propose to erect stations or appoint Executive Committee to erect system and control it.—GOVERNOR-GENERAL.

59578

No. 345.

UNION OF SOUTH AFRICA.

THE ACTING GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6th December, 1920.)

(Confidential.)

MY LORD, Governor-General's Office, Pretoria, 6th November, 1920.

I HAVE the honour to transmit to Your Lordship herewith, with reference to Your Lordship's Confidential telegram of the 11th August, 1920,* a copy of a minute from Ministers on the subject of the Imperial Wireless Scheme.

I have, &c.,

J. ROSE INNES,
Acting Governor-General.

Enclosure in No. 345.

MINUTE No. 1168.

Prime Minister's Office, 2nd November, 1920.

MINISTERS have the honour to make further reference to His Excellency's Confidential minute No. 43/574, of the 19th August last, and to state that decision

* No. 341.

in the matter is being delayed pending consideration of the question of utilizing the engine power already existing at the Windhuk Station to the best advantage. The Municipal authorities at Windhuk desire the Government to consider the possible utilization of the power plant at the station for Municipal lighting and power in addition to its original purpose, and this aspect of the matter is now under treatment.

Ministers will communicate further with His Excellency at the earliest possible opportunity.

J. C. SMUTS.

60644

No. 346.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 5.55 a.m., 11th December, 1920.)

TELEGRAM.

(Paraphrase.)

10TH DECEMBER. Imperial Wireless Telegraph Committee.

With reference to your telegram, Confidential, of 11th August, and your despatch Dominions No. 174 [1274] of 3rd July.* In the Dominion of Canada, wireless telegraphy is under the control of the Naval Service Department, and they report that the only point in which Canada is interested would appear to be recommendation No. 5, i.e., that subject to decision in conference between the Canadian and the Imperial Governments similar communication should be established by valve stations between England and Canada; my Government is quite prepared to discuss this proposal with the Imperial authorities. Despatch† follows by next mail.—DEVONSHIRE.

62798/S

No. 347.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 23rd December, 1920.)

(Secret.)

MY LORD, Government House, Ottawa, 13th December, 1920.

With reference to your Secret telegram of the 11th August and Your Lordship's despatch Dominions No. 174, [1274,] of the 3rd July,* with regard to the proposals in the report of the Imperial Wireless Telegraphy Committee, I have the honour to transmit, herewith, a copy of a letter from the Department of the Secretary of State for External Affairs. The substance of the first paragraph of this letter I telegraphed to Your Lordship on the 10th instant.‡

I have, &c.,

DEVONSHIRE.

Enclosure in No. 347.

DEPARTMENT OF EXTERNAL AFFAIRS to GOVERNOR-GENERAL'S SECRETARY.

SIR,

Ottawa, 9th December, 1920.

With reference to the Secret telegram to His Excellency from the Secretary of State for the Colonies, asking for the views of the Canadian Government on the recommendations contained in the report of the Imperial Wireless Telegraphy Committee, I have the honour to state that the Department of the Naval Service which is in control of wireless telegraphy in the Dominion has reported that the only point in which Canada is interested would appear to be Recommendation No. 5: "That similar communication be established by valve stations between England and

* Nos. 341 and 340.

† No. 347.

‡ No. 346.

Canada, subject to decision in conference between the Imperial and Canadian Governments," and that Canada is quite prepared to discuss this proposal with the Imperial authorities.

As regards the issue of licences for radio stations in the Dominion to provide communication with foreign countries, it is proposed to continue to consider each application for licence on its merits.

The Department of Militia and Defence, which has also examined the proposals, highly recommends the system of communication suggested, that is, the generation of continuous wave radio telegraphic energy by means of thermionic valves, not only for the recommendations so excellently summed up in this report, but also on account of the fact that this system, which was so extensively developed during the late War for general Army purposes, is the only system of radio-communication to be employed in connexion with the *post bellum* Army of the Empire.

Further, the art of radio-telephony, which is now becoming of so much importance, is intimately bound up with the development of the thermionic valve generator.

It is considered that when the report is being discussed in detail, and the question of communication between England and Canada comes up for consideration, it will be necessary, also, to consider the problem of trans-continental communication for Canada, in order to obtain the fullest possible use from the Canadian terminal station. In order to put such a system of communication on a business basis, it is essential that all stations be kept continuously busy handling paying messages. This will necessitate the Canadian terminal station being employed for communication both with England and elsewhere.

At the present time there are no inland stations in Canada operating on the continuous wave principle. The larger patterns of Army radio-telegraph and telephone sets, now coming out from England for use in the various military districts, are of sufficient range, and of the proper type, to be incorporated in any Canadian trans-continental radio scheme.

It is further pointed out that up to the present radio-communication in Canada has been under the Naval Department, and is almost entirely concerned with navigation on the Great Lakes and on Canadian coastal waters, but that now since this report of the Imperial Committee brings forward the whole question of internal radio communication in Canada, it is felt that the Department of Militia and Defence should be in a position to keep in the closest touch with this development. This would be particularly desirable in case of a general or sympathetic strike among telegraph and telephone operators, when that Department would, as in previous instances, at once be called upon to supply some means of communication between the various Military District Headquarters. Therefore, it is considered that the Department of Militia and Defence should be represented on the Committee referred to in sections 5 and 6, page 28, of the above mentioned report.

I am to request that His Excellency may be humbly moved to communicate the substance of the foregoing to the Secretary of State for the Colonies.

I have, &c.,

JOSEPH PORE,

Under Secretary of State for External Affairs.

62798

No. 348.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL
AND GOVERNOR.

(Sent 5.20 p.m., 21st January, 1921.)

TELEGRAM.

(Canada.)
(Commonwealth of Australia.)
(New Zealand.)
(Union of South Africa.)
(Newfoundland.)

21ST JANUARY. My despatch 3rd July, Dominions No. 274.* Commission referred to in sixth recommendation Report Imperial Wireless Telegraphy Committee has now been appointed under my chairmanship. Other members are Eccles

* No. 340.

and Turner, who were members of Committee, and Shaughnessy, Staff Engineer, Post Office. Terms of reference are as follows:—

(i) To decide upon the wireless plant most suitable for carrying out the scheme of Imperial Wireless Communications recommended by the Imperial Wireless Telegraphy Committee, bearing in mind the necessity for the co-ordination of the chain with existing telegraph services, and to design the necessary stations.

(ii) To make recommendations regarding the actual sites for the stations proposed by the Imperial Wireless Telegraphy Committee.

(iii) To advise generally upon the preparation of specifications for machinery and apparatus, the making of contracts, and the construction of the stations.

—MILNER.

19775

No. 349.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE to THE GOVERNOR-GENERAL.

[Answered by No. 350.]

(No. 153.)

SIR,

Downing Street, 5th May, 1921.

WITH reference to my telegram of the 6th April,* I have the honour to request Your Royal Highness to inform your Ministers that the Wireless Telegraph Commission, which is advising on the design of the wireless stations in the proposed Imperial Wireless Scheme, is preparing to carry out a series of tests of signal strength in different localities, with a view to deciding as to the best apparatus, wave-lengths, and sites. Arrangements have already been commenced for tests between England and Egypt, and it is now proposed to carry out similar experiments elsewhere.

2. The Wireless Telegraph Commission are accordingly considering the desirability of sending two technical experts to South Africa, with the necessary apparatus, about the end of July, in order to carry out trials at the same time as those in Egypt.

3. I should be glad to be informed by telegram whether your Ministers see any objection to the carrying out in South Africa of tests such as those proposed.

I have, &c.,

WINSTON S. CHURCHILL.

32396

No. 350.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 29th June, 1921.)

[Answered by No. 351.]

(No. 390.)

SIR,

Governor-General's Office, Cape Town, 10th June, 1921.

I HAVE the honour to transmit to you herewith, in confirmation of my telegram of the 10th June, 1921,† copy of a minute from Ministers (with enclosures) on the subject of the carrying out of tests in the Union in connexion with the Imperial Wireless Scheme, and the possibilities of the Windhuk Wireless Station.

I have, &c.,

ARTHUR FREDERICK,
Governor-General.

* 14902: not printed; this commented on the unsuitability of Windhuk as the South African terminal of the Imperial Wireless Chain.

† 29252: not printed; it summarized the Ministers' minute enclosed in this despatch.

Enclosure in No. 350.

MINUTE No. 593.

Prime Ministers Office, 8th June, 1921.

With reference to His Royal Highness the Governor-General's minute No. 43/634, of 26th May, covering a copy of a despatch No. 153, from the Secretary of State for the Colonies on the subject of the carrying out of tests in the Union in connexion with the Imperial Wireless Scheme, Ministers have the honour to recommend that a telegram be sent to the Right Honourable the Secretary of State for the Colonies suggesting that before any decision is come to in regard to sending experts to South Africa, as proposed, the report of the Union Government's Scientific and Technical Adviser, Dr. van der Byl, M.A., Ph.D., who has just completed a special study of the whole position in regard to the Windhuk Wireless Station, should be awaited, as it would seem doubtful whether there is now any necessity for further investigation.

A copy of Dr. van der Byl's report,* which deals fully with the questions of apparatus, wave lengths, and site is attached for transmission to the Secretary of State.

F. S. MALAN.

55112

No. 351.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 428/22.]

(No. 378.)

Sir,

Downing Street, 19th November, 1921.

I HAVE the honour to acknowledge the receipt of Your Royal Highness's despatch No. 390, of the 10th June,† as to the Windhuk Wireless Telegraph Station. Dr. van der Byl's report was duly communicated to the Wireless Telegraphy Commission, and I now transmit to you, to be laid before your Ministers, a copy of a report by the Commission as to the possibilities of utilizing Windhuk as the African terminal station of the Imperial Wireless Chain.

2. Since the discussion at the Conference of Prime Ministers and Representatives of the United Kingdom, the Dominions, and India as to the Imperial Wireless Chain, and the Resolution there passed (see page 6 of [Cmd. 1474]), it has been decided that the Postmaster-General shall assume more direct responsibility for the construction of those stations of the Chain for which His Majesty's Government is responsible, and shall act as Chairman of the Commission of experts.

3. The present position is that there is an arc station already working at Oxford (Leafeld) capable of communicating with Cairo, and it is hoped that the corresponding station in Egypt will be ready by the end of the year. The designs for other stations have not yet been finally settled, and it is understood that the Wireless Telegraphy Commission is still engaged in the study of alternative systems of transmission. It is expected that they will shortly furnish a report on this aspect of the matter, which will, of course, be communicated to your Ministers at once.

4. The Commission has just sent out to Egypt two officers lent by the Admiralty, Commander E. C. Watson, R.N., and Major E. H. Ward, R.M.A., who will carry out preliminary tests there. These officers, after completing their work in Egypt, will probably visit Kenya in order to carry out receiving tests and consult with the Governor as to the site of the station, and it has been suggested that they should then proceed to South Africa in order to carry out similar tests and to consult with the advisers of the Union Government (see in this connexion my despatch No. 153, of 5th May‡). I should be glad to know by telegram whether your Ministers would now agree to a visit to South Africa by Commander Watson and Major Ward. If so, His Majesty's Government would be grateful if the Union Government could arrange to waive the Customs duties payable on any apparatus and equipment that these officers may bring.

I have, &c.,
WINSTON S. CHURCHILL.

* Not printed.

† No. 350.

‡ No. 349.

Enclosure in No. 351.

REPORT ON WINDHUK AS THE TERMINAL STATION OF THE AFRICAN CHAIN.

At the Twenty-First Meeting of the Wireless Telegraphy Commission, Lieut.-Col. Harrison, representing the Government of the Union of South Africa, suggested that the Commission should make estimates of the comparative expenditure involved in establishing the South African terminal station of the Imperial Wireless Chain at Windhuk or Johannesburg. Accordingly the Commission have studied the possible alternatives in the manner of equipping and siting the terminal station, and have prepared a tabular statement of the capital cost and annual charges for several of these alternatives.

It will be understood that the estimates now put forward are liable to adjustment in consequence of the fluctuations in the prices of machinery and materials and in the cost of labour. The relative magnitudes, however, of the various sums may be regarded as trustworthy guides in spite of these fluctuations.

The alternatives which have been considered are as follows:—

(a) Utilize the Windhuk masts, buildings, and machinery, re-equip for quenched spark, arrange for duplexing, and erect a new land line to Johannesburg.

(b) The same as (a) except that instead of a land line small wireless stations be erected at Windhuk and Johannesburg for the transmission of messages.

(c) Utilize the Windhuk masts, buildings, and machinery, equip as a thermionic valve station, and erect a new land line to Johannesburg.

(d) The same as (c) except that instead of a land line small wireless stations be erected at Windhuk and Johannesburg for the transmission of messages.

(e) Erect the Imperial Chain station at Johannesburg.

The letters in the left-hand column of the following table have the significations just explained.

Capital Cost.		Annual Charges		Remarks
	£		£	
(a) Quenched spark	6,000	Engineering Expenses	30,000	* Very uncertain
Duplexing	13,000	Operating costs (Windhuk and Johannesburg)	24,000	
Lines for Retransmission	30,000	Line Maintenance*	6,000	
Residences	25,000			
Total	74,000	Total	60,000	
(b) Quenched spark	6,000	Engineering Expenses	36,000	
Duplexing	13,000	Operating costs (Windhuk and Johannesburg)	32,000	
Wireless Retransmission	70,000			
Residences	25,000			
Total	114,000	Total	68,000	
(c) Thermionic Plant	20,000	Engineering Expenses	30,000	* Very uncertain
Duplexing	13,000	Operating costs (Windhuk and Johannesburg)	24,000	
Lines for Retransmission	80,000	Line Maintenance*	6,000	
Residences	25,000			
Total	88,000	Total	80,000	
(d) Thermionic Plant	20,000	Engineering Expenses	36,000	
Duplexing	13,000	Operating costs (Windhuk and Johannesburg)	32,000	
Wireless Retransmission	70,000			
Residences	25,000			
Total	£128,000	Total	£68,000	

Capital Cost.	Annual Charges.	Remarks
£	£	
(a) Duplex Thermionisation at Johannesburg using public electricity supply ... 118,000	Engineering Expenses ... 15,000 Operating costs ... 16,000	All operating done from room in Johannesburg Central Post Office.
Total £118,000	Total £31,000	
Add cost of Site if no Government land available within 50 miles of city.		

In the above estimates salaries and wages and costs of engineering supplies have been assumed the same at Windhuk and Johannesburg.

From the telegraphic traffic point of view the advantages are overwhelmingly with Johannesburg. In the first place, Johannesburg is the commercial centre of the Union, and is only thirty-six miles from Pretoria. Therefore, retransmission of messages would be reduced to a minimum. In the second place, very good open wire communication with other important points of the Union already exists. Further, the concentration of staff obtained by operating directly from the Johannesburg Central Post Office is an economy. As regards staffing the stations, there is considerable difficulty in the case of Windhuk and none at Johannesburg.

If Windhuk were utilized as the terminal station, practically all messages would have double transmission: this leads to delays and mistakes. If land lines were used stoppages lasting many hours might be only too frequent in view of the fact that the pole route traverses several hundred miles of desert.

If Windhuk were not utilized as the terminal chain station it might still be equipped to perform useful services as a part of the internal communication system of the Union.

W. ECCLES (Vice-Chairman).
L. B. TURNER.

F. ADDEY (Acting Secretary).

61394

No. 352.

COMMONWEALTH OF AUSTRALIA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(Sent 12.45 p.m., 19th December, 1921.)

TELEGRAM.

REPORTED in Press that Commonwealth Parliament has referred to Joint Committee of both Houses two proposals of private Companies for direct wireless communication between Australia and United Kingdom.

His Majesty's Government earnestly hope that Commonwealth Government will defer decision on these schemes pending consideration of report of Wireless Telegraphy Commission (see my telegram of 21st January*), which has been just completed, and will be sent to you within next few days.

As present policy here is to maintain Imperial wireless communications in Government hands, His Majesty's Government would be considerably embarrassed by application from private company for erection of special station in this country for direct communication with Australian station. On the other hand, if it were found necessary to refuse licence to private company, His Majesty's Government might find it difficult themselves to erect corresponding station here in addition to Imperial Chain Station. Their experts are confident that thermionic valve stations

* No. 348.

proposed for chain would be powerful enough to ensure direct communication between United Kingdom and Australia for several hours per diem.

Should your Ministers desire further information as to position, His Majesty's Government would gladly arrange for discussion between Wireless Telegraphy Commission and any experts nominated by Commonwealth Government.—SECRETARY OF STATE FOR THE COLONIES.

Correspondence with Government of Newfoundland relative to an agreement with the Marconi Wireless Telegraph Company of Canada.
(Including reference to the Port-Aux-Basque—Canso Cable.)

50659

No. 353.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 8.20 p.m., 12th October, 1920.)

TELEGRAM.

[Answered by No. 354.]

12TH OCTOBER. My Ministers have entered into agreement with Marconi Company, Canada, extending monopoly wireless communication Newfoundland on lines of present contracts, with the right to erect large stations on the Avalon Peninsula and at Grand Falls. Does this conflict with any general rights of Admiralty at Mount Pearl or policy of His Majesty's Government? Telegraph reply with least possible delay.—HARRIS.

50659

No. 354.

THE SECRETARY OF STATE TO THE GOVERNOR.

(Sent 5.45 p.m., 18th October, 1920.)

TELEGRAM.

[Answered by Nos. 355 and 356.]

18TH OCTOBER. Your telegram 12th October,* Marconi Company. Important questions in connexion with erection of wireless stations throughout Empire under consideration at present. Decisions hoped for at an early date. Meantime suggest that your Ministers should not commit themselves to anything.—MILNER.

53585

No. 355.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 3.20 a.m., 31st October, 1920.)

TELEGRAM.

[Answered by Nos. 357, 360, and 362.]

(Paraphrase.)

WITH reference to your telegram of 18th October,† a long letter from Ministers, and a somewhat blunt letter from Mr. Coaker, have been received by me, in which they ask to be informed in what way the Imperial Government's policy could be affected by the proposed agreement with Marconi Company of Canada, the main point of which is given in my telegram of 12th October* and in a despatch which I sent you 26th October.‡ Letter explains that Ministers desire to secure additional means of communication with the United Kingdom and the neighbouring continent and the benefit which should accrue from Government control of such services. At the present time there is but one channel of cable communication, viz., by the Anglo-American Telegraph Company, from which practically no revenue is got by this Government.

* No. 353.

† No. 354.

‡ No. 356.

Ministers have kept in mind the desire of His Majesty's Government in relation to retaining, as far as possible, freedom of action in making wireless agreements, and they urge that proposed contract, limited in scope, is merely intended to meet present conditions.

Ministers further ask whether it is true that His Majesty's Government have purchased cable of the Direct Cable Company, and, if so, what privileges, and on what terms, His Majesty's Government could offer to Government of Newfoundland in respect of commercial business with United Kingdom and neighbouring continent in relation to use of said cable.

I suggest that there is no objection, provided that I obtain promise of delay in the other matters, to arranging at once for the new direction-finding station at Signal Hill.—HARRIS.

54975

No. 356.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 8th November, 1920.)

[Answered by No. 357.]

(No. 190.)

MY LORD,

Government House, St. John's, 26th October, 1920.

I HAVE the honour to acknowledge the receipt of your telegram of the 18th instant,* in reply to my telegram of the 12th instant,† inquiring whether the contract which my Ministers had proposed to make with the Marconi Company of Canada conflicts with any general rights of the Admiralty or the policy of His Majesty's Government.

2. I have sent down your telegram for the consideration of Ministers, informing them that on perusal of its contents I presume that they will concur in my not now signing the Agreement, which is in any case subject to ratification by the Legislature.

3. I had received no intimation of the intention to make an agreement with the Marconi Company, though I was aware that there were projects for improving the system of directional wireless telegraphy as an important aid to navigation in these dangerous waters. The Agreement, however, which was suddenly brought up to me for signature, went far beyond anything of that sort; besides providing for the addition of another directional wireless station it contemplated connecting up the whole of the telegraph system of Newfoundland with those of the outside world by means of two great wireless stations, one at Witless Bay, not far from Mount Pearl and St. John's, and the other at Grand Falls. Further, the Agreement proposed to give the Marconi Company a monopoly of ten years from the present date, which in effect extended the present monopoly under the Wireless Telegraph Act of 1906, 6 Edward VII, ch. 9, for a further four years.

4. I may add that I inquired of the authorities at Mount Pearl whether the large stations which are proposed were likely to jam Mount Pearl, and found that there was no doubt whatever that they would.

I have, &c.,

C. ALEXANDER HARRIS.

54976

No. 357.

THE SECRETARY OF STATE to THE GOVERNOR.

(Sent 4.30 p.m., 15th November, 1920.)

TELEGRAM.

[Answered by No. 358.]

15TH NOVEMBER. Your telegram 30th October, your despatch 26th October, No. 190.‡ Please send as soon as possible text of proposed new agreement with Marconi Company.—MILNER.

* No. 354.

† No. 353.

‡ Nos. 355 and 356.

59748

No. 358.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 6th December, 1920.)

[Answered by Nos. 360 and 362.]

(No. 209.)

MY LORD,

Government House, St. John's, 16th November, 1920.

I HAVE the honour to acknowledge the receipt of your telegram of the 15th instant,* on the subject of the Agreement with the Marconi Wireless Telegraph Company of Canada, and in accordance with your request to transmit a copy of the Agreement which Ministers submitted for my signature.

2. After sending my despatch No. 190, of the 26th October,† I received a formal letter from the Minister of Marine and Fisheries, who is at present my chief adviser, urging that the Government could not delay the work under the contract, and suggesting that, if necessary, a clause should be added providing that nothing contained in the Agreement should interfere with an Imperial or Inter-Imperial arrangement which would embrace the Empire and link up Newfoundland in a wireless Empire system. Immediately afterwards I received a formal letter, written by direction of Ministers at the instance of the Minister of Posts and Telegraphs, urging that they would be glad to receive any information as quickly as possible, and explaining that the desire of Ministers is to provide additional means of communication with the United Kingdom and the neighbouring continent, and to secure to the Government of this Colony the benefits which would accrue from Government control of such services. The material part of the letter is covered by the enclosed extract.

3. Later, Mr. Coaker, in discussing this and other matters, urged that we should try and get on as soon as possible with the direction-finding station at Signal Hill, and that it is desirable to do this even if some special reservation is made in the agreement.

I have, &c.,

C. ALEXANDER HARRIS.

Enclosure 1 in No. 358.

THIS AGREEMENT made this day of Anno Domini
One Thousand Nine Hundred and Twenty, BETWEEN His Excellency
Sir Charles Alexander Harris, K.C.M.G., C.B., C.V.O., Governor of
the Island of Newfoundland and its Dependencies in Council (hereinafter referred to as "The Government" of the one part AND The
Marconi Wireless Telegraph Company of Canada, Limited, a body
politic and corporate, incorporated by an Act of the Dominion of
Canada (hereinafter referred to as "The Company"), of the other part
WITNESSETH:—

THAT WHEREAS an Agreement was entered into on the twenty-second day of September, 1903, between the Government and the Company respecting the establishment and maintenance of certain Wireless Telegraph Stations in Newfoundland and on Labrador, and containing the terms and conditions under which these Stations should be established and maintained:

AND WHEREAS a further Agreement was entered into between the Government and the Company on the 6th day of April, 1906, which Agreement was approved and confirmed by the Act 6 Edward VII, Chapter IX:

AND WHEREAS a further Agreement was entered into between the Government and the Company on the 20th day of April, 1912, which Agreement was approved and confirmed by the Act 3 George V, Chapter 24:

AND WHEREAS the Government is desirous of having a Direction Finding Station established at Signal Hill, St. John's, and to have certain changes and improvements made in the service and Stations at Battle Harbor, Labrador, and at Fogo:

* No. 357.

† No. 356.

NOW THEREFORE THESE PRESENTS WITNESS AND THE PARTIES AGREE AS FOLLOWS:—

1. The Company shall instal modern wireless apparatus at the Wireless Station owned by the Government situated at Battle Harbor so as to increase the power and capacity of that station to enable it to transmit and to receive messages from the Station at Fogo direct; and the Company shall alter and/or extend the present house or erect a new house for the accommodation of the new apparatus for all of which apparatus work and materials supplied or done the Government shall pay to the Company the actual cost to the Company with ten per cent. of such cost added thereto.

2. The Company shall maintain the said Government Station situated at Battle Harbor and the Company's Station situated at Fogo and shall also provide two operators for each of said two stations in this paragraph mentioned and operate said stations all the year round, except that at Battle Harbor Station the Company shall not be required to maintain more than one operator while navigation is closed. The Government shall pay to the Company a royalty of Two Thousand Five Hundred Dollars (\$2,500.00) per annum, for each of said stations on the last day of May in each year in addition to the royalty payable on these stations under the Contracts referred to in the recitals hereof, provided that the total royalties in respect of the stations referred to in this section shall not be less than Three Thousand Dollars (\$3,000.00) per annum per station during the term of this Agreement.

3. The Company shall within three months after the provision by the Government of the necessary buildings provide and instal the necessary wireless apparatus for a Direction Finding Wireless Station to be situated in or near the Cabot Tower at St. John's hereinafter called "the Signal Hill Station" at a site to be agreed upon between the parties, except such things and apparatus as the Government agrees to provide in Section 4 of this Agreement. The apparatus which shall be supplied by the Company under this Section shall be and remain the property of the Company and may be removed by the Company upon the termination of this Agreement.

4. The Government shall provide, erect and instal all necessary Masts, Rigging, Electrical power line and Telegraph line, and maintain the said power and telegraph lines in good order and condition for the Signal Hill Station, and shall also provide sufficient housing accommodation for the operating staff and apparatus at the said Station and maintain the said housing accommodation in good repair.

5. The Company shall upon completion of the Signal Hill Station maintain and operate the same as an aid to navigation, except as otherwise herein provided continuously night and day.

6. The Government shall pay to the Company the sum of Seven Thousand Dollars (\$7,000.00) per annum on the last day of May in each year for the maintenance and continuous operation of the said Signal Hill Station. In addition thereto the Company shall be entitled to retain ten per cent. of all tolls collected by it at said station, the balance being paid to the Government. The Company shall take every reasonable precaution to ensure the accuracy of the bearings taken and transmitted to ships at sea, but shall not be liable in case of error therein.

7. In case the Government's telegraphic lines North of St. John's shall become temporarily interrupted the Company agrees to handle all local traffic for the North by way of the Stations at St. John's and Fogo, and the Government agrees that forty per cent. of the tolls at the ordinary inland rate shall accrue to the Company in respect of traffic so handled.

8. The Company shall erect and operate in the Peninsula of Avalon a Wireless Station for communication with ships at sea and will hand to the Newfoundland Postal Telegraphs all traffic received at such Station. The Company shall pay to the Government six cents per fully paid word for the handling of such traffic between the said Station in the Avalon Peninsula and any cable terminal in Canada. Provided, however, that in the event of the construction by the Company at the request of the Government of the Wireless Station in accordance with the provisions of section 9 hereof the said traffic shall be routed via that station and a charge of four cents per word only in respect thereof shall be payable to the Government according to sub-section (b) of section 10 hereof.

9. On the request in writing of the Government the Company shall at its own expense and within twelve months of the receipt of such request, erect, equip, maintain and operate a Wireless Station at or near Grand Falls, or should the Company be unable to procure a suitable site at or near Grand Falls on terms satisfactory to the Company at any point along the line of the Postal Telegraph system to communicate with a corresponding station to be erected by the Company at a suitable point in Canada. The Company shall handle at the said Station:—

- (a) Trans-Atlantic traffic routed via Marconi,
- (b) Ship traffic, and
- (c) Ordinary telegraphic traffic between points in North America generally and points in Newfoundland.

10. In respect of the Station at Grand Falls or elsewhere as aforesaid the Government will waive the payment by the Company of the tax of Four Thousand Dollars (\$4,000.00) per annum provided by Chapter 26 of the Newfoundland Consolidated Statutes (Third Series), and in lieu thereof the Company will pay to the Government a tax per fully paid word handled by the said Stations according to the following rates:—

- (a) Trans-Atlantic traffic via Marconi, 4 cents per word,
- (b) Ship traffic, 4 cents per word,
- (c) Ordinary telegraphic traffic between points in North America generally and points in Newfoundland, 3½ cents per word.

The foregoing rates in each case include the forwarding charge, if any, payable to the Postal Telegraphs in respect of the transmission of the traffic over the lines of the Newfoundland Postal Telegraphs.

11. The provisions of Sections 9 and 10 hereof are made subject to the Company obtaining the consent of the Administrations of countries other than Newfoundland controlling the necessary connexions and also subject to the Company obtaining from the Government of the Dominion of Canada the necessary licence for the said Canadian Station.

12. The Government shall upon giving to the Company six months' previous notice in writing have the right to limit the operation of the said proposed station at Grand Falls or elsewhere as aforesaid to the handling of

- (a) Trans-Atlantic traffic routed by the sender via Marconi, and
- (b) Ship traffic.

13. The Company shall have the right to operate the said station at Grand Falls or elsewhere as aforesaid as and on the terms provided in this agreement for ten years from the date of the requisition of the said station by the Government, but the Company may at its option cease the operation of the said station ten years from the date of this Agreement.

14. The Company shall, upon the written request of the Government giving all necessary particulars to enable the Company to comply with the desires of the Government, supply and instal such further Direction Finding Stations as the Government may require at cost plus ten per cent. and shall upon the like written request of the Government operate same for Direction-finding purposes at cost plus ten per cent. of the tolls received at such stations, paying over the balance of ninety per cent. to the Government.

15. The Company shall maintain in Newfoundland in connexion with its operations a first-class Engineer whose services shall be available to the Government in connexion with the stations referred to in Section 25 of this Agreement, at the sum of Twelve Dollars and Fifty Cents (\$12.50) per day and expenses to be paid by the Government to the Company when employed by the Government.

16. The Company shall give free transmission over its system within the Colony of Newfoundland to messages on Government business when the same are duly authenticated by a Minister or Deputy Minister of the Crown or any official duly authorized in that behalf by the Government.

17. The stations of the Government of the Dominion of Canada at Belle Isle, Point Amour, Point Riche, and Cape Ray shall be regarded as established and intended for reporting only passing ships, and for relay purposes, and no tax or licence fee shall be chargeable upon such stations or payable by the Company as long as it can be shown that no commercial business is transacted at these stations except as herein provided and allowed. Nothing herein contained shall be construed to impose upon the Company any obligation or duty to operate or continue to operate the stations referred to in this Section.

18. The Government shall at its own expense connect its landline system of telegraphs and all extensions thereof which the Government shall make with the Company's stations provided for in this Agreement, and shall provide, instal, and maintain in a first-class state of repair, free of charge to the Company all instruments, batteries and other apparatus necessary for the efficient operation of the said connexions, but the Company shall provide all operators therefor except as provided in Section 19 hereof.

19. The Government shall at its own expense provide competent telegraph operators to handle landline traffic at the Company's station mentioned in Section 9 of this Agreement provided said station is erected at Grand Falls, but should the last mentioned station be erected elsewhere the Company shall at its own expense provide such operators; and the Company shall at its own expense provide the necessary office accommodation.

20. Subject to the reservation provided in Section 12 hereof the Government shall accept at all of its telegraph offices for transmission and delivery traffic routed via the Stations operated by the Company or provided for herein at the rates set out in Section 10 hereof.

21. The Government undertakes that during a period of ten years from the 1st day of November, 1920, it shall not permit any person or company to operate commercially wireless telegraphy in Newfoundland or Labrador or the territorial waters thereof, or upon ships registered in Newfoundland.

22. This Agreement shall come into operation on the 1st day of November, 1920, and shall remain in operation for ten years.

23. On the termination of this Agreement the Company shall turn over to the Government in good order and repair (reasonable wear and tear and damage by fire excepted) all of the Government-owned stations referred to in this Act.

24. In addition to any accounts and statements to be furnished by the Company to the Minister of Posts and Telegraphs, under any present law, the Company shall furnish the Minister of Posts and Telegraphs a monthly statement of all business done under this Agreement and shall pay to the Government all amounts due to it at the end of each month.

25. Nothing in these presents contained shall be considered to limit the right of the Government to operate wireless telephone and/or wireless telegraph stations for the purpose of handling local interinsular traffic in Newfoundland, including traffic between islands part of Newfoundland and the mainland.

26. If the Company finds it necessary for the efficient construction, maintenance and operation of its work, or for any purpose connected therewith the Company may, with the sanction of the Governor in Council, enter upon and assume possession of and appropriate for any of the purposes mentioned in this section, any lands belonging to any person or corporations that may be necessary for the opening, construction, maintenance or operation of all or any of its works, or for the erection of any buildings or apparatus requisite for maintaining or operating the same, and may enter upon and remove therefrom any houses or buildings and other obstructions which may be upon such land.

27. For the purpose of ascertaining the damage that may be occasioned to any person or corporation whose interest in any lands or tenements may be in any way affected under the preceding section, the Company shall appoint one arbitrator, the person interested in the said land another, and the two arbitrators so appointed shall appoint a third or umpire; and in the event of the person so interested in the land failing so to appoint an arbitrator after seven clear days' notice so to do, then the Company may apply to the Supreme Court or a Judge thereof, who shall, after due notice to the said person interested in the land, appoint such arbitrator, and the arbitrators so appointed by the Company and the Court or Judge shall thereupon appoint a third arbitrator, and if the said two arbitrators shall refuse or neglect to appoint such third arbitrator after seven clear days' notice from the Company so to do, the Supreme Court or a Judge thereof shall on the application of the Company appoint such third arbitrator, and the award of such arbitrators or any two of them, shall be final and binding between the parties.

28. During the term of this Agreement all Plant, Machinery, Implements, Apparatus, Tools, Utensils and Materials (including fuel, oil and spirit but excluding food and personal effects) necessary for the construction and/or maintenance of all the stations and extensions thereof mentioned in this Agreement, shall be admitted free of duty.

29. The Company may, with the approval of the Government, during the term of this Agreement erect and operate such additional stations in Newfoundland and Labrador as it may deem necessary for the conduct of its business, provided that the traffic handled by such stations shall be subject to the conditions provided herein and subject to the provisions of Chapter 26 of the Newfoundland Consolidated Statutes (Third Series), and the Company shall have the right so to operate them for ten years after completion.

30. In consideration of the Company's undertakings herein the Government undertakes to pay to the Company the sum of Four Thousand Dollars (\$4,000-00) per annum.

31. Save as hereby altered or amended the Agreement of the twenty-second day of September, 1903; the Agreement of the sixth day of April, 1906; and the Agreement of the sixth day of June, 1912, are hereby confirmed.

32. This Agreement is subject to approval and confirmation by the Legislature.

IN WITNESS WHEREOF His Excellency the Governor in Council has caused the Great Seal of the Island of Newfoundland to be set hereto, and has signed these presents, and the Company has caused its Corporate Seal to be affixed hereto.

By His Excellency's Command,

Colonial Secretary.

The Common Seal of
The Marconi Wireless
Telegraph Company of
Canada, Limited, affixed
this _____ day of
_____, A.D. 1920, in
presence of _____

Enclosure 2 in No. 358.

(Extract.)

Sir, Department of Colonial Secretary,
St. John's, Newfoundland, 29th October, 1920.

YOUR EXCELLENCY'S Ministers have noticed lately in the public Press a statement that His Majesty's Government had purchased the cable of the Direct Cable Company. It is presumed that this is the line coming from Canada, landing at Harbour Grace and proceeding thence to the United Kingdom. In view of the desire of His Majesty's Government that we defer action in relation to the proposed Wireless Agreement as above set forth, Ministers would be glad to learn what privileges in respect of commercial business with the United Kingdom and the neighbouring continent His Majesty's Government could offer the Government of this Colony in relation to the use of the said cable, and upon what terms.

In view of the fact that for a period of some months negotiations have been in progress with the Marconi Wireless Company, resulting in the present draft agreement, and that Ministers are anxious that as soon as possible some satisfactory arrangement may be made, either by wireless or by cable, to meet the pressing conditions here, Your Excellency's Ministers would be glad if this matter could be given prompt attention, and communication respecting the same sent by wire to the Secretary of State, whose reply would also be cabled.

One of the pressing matters is that of the direction-finding station at Signal Hill, and Ministers are anxious to proceed with this at the earliest possible moment. It may be that the Secretary of State would have no objection to this feature of the Agreement being adopted at once.

I have, &c.,
ARTHUR MEWS,
Deputy Colonial Secretary.

His Excellency
Sir C. Alexander Harris, K.C.M.G., C.B., C.V.O.,
&c., &c., &c.,
Governor.

61654

No. 359.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 5.15 a.m., 18th December, 1920.)

TELEGRAM.

[Answered by Nos. 360 and 362.]

17TH DECEMBER. My telegram 30th October, my despatch 16th November,* Marconi Agreement. My Ministers at Council meeting to-day showed irritation at delay in matter; although necessary to obtain approval of Legislature, they hoped to push on with certain works. My Ministers urge that they are entitled to know whether there are any definite Imperial interests which would be affected, since they expect considerable revenue under new contracts, and are anxious to commence local work pending receipt of views of His Majesty's Government.—HARRIS

62399

No. 360.

THE SECRETARY OF STATE TO THE GOVERNOR.

(Sent 1 p.m., 24th December, 1920.)

TELEGRAM.

24TH DECEMBER. Your telegram 30th October, your telegram 17th December;† proposed Marconi Agreement. No objection to arrangements being made at once for new direction-finding station, Signal Hill, provided you are able to obtain promise of delay in other matters. Terms of draft agreement enclosed in your despatch of 16th November, No. 209,‡ now being examined, and views His Majesty's Government will be telegraphed as soon as possible.

As regards cable communication, position is that Direct United States Company's cable has been purchased by His Majesty's Government in order to provide for increase of traffic by Imperial cable. Trans-Atlantic section of former cable lands Newfoundland, but is worked direct from London to Halifax by means of Halifax-Harbour Grace section, station at latter being used for relaying only. Hence impracticable at present to arrange for transmission or reception of Newfoundland telegrams at Harbour Grace. Working of cable at present being continued by Western Union Company under six months' lease, terminable at end of that period by three months' notice. Arrangements to be made when working of cable taken over by General Post Office under consideration, and hoped that it may be possible to afford additional facilities as regards telegrams between Newfoundland and United Kingdom.—SECRETARY OF STATE FOR THE COLONIES.

1407

No. 361.

THE GOVERNOR TO THE SECRETARY OF STATE.

(Received 10th January, 1921.)

(Confidential.)

MY LORD,

Government House, St. John's, 21st December, 1920.

WITH reference to my despatch No. 209, of 16th November,‡ transmitting a copy of the proposed new Agreement with the Marconi Wireless Telegraph Company of Canada, I have the honour to state that my Ministers, at a Council meeting which was held at Government House on the 17th instant, expressed some annoyance and irritation at the delay which has occurred in this matter. In particular the Minister of Justice observed that he could have explained matters if only he had been brought into consultation while he was still in England, and complained that he had been placed in a false position.

* Nos. 355 and 358.

† Nos. 355 and 359.

‡ No. 358.

2. Although it is necessary to obtain the approval of the Legislature before the Agreement can become operative, my Ministers had apparently intended to push on with certain local works contemplated by the agreement, and they now desire me to urge that they are entitled to know at least whether there is any definite Imperial interest involved which will be likely to be affected by their action.

3. The most important statement at the Council was made by the Minister of Posts and Telegraphs, who pointed out that he was particularly interested in a statement in the public Press that His Majesty's Government had purchased the cable of the Direct Cable Company, and this might be utilized to satisfy the needs of Newfoundland to a very large extent without the large schemes contemplated in the proposed Wireless Agreement. His view was that at present Newfoundland was losing a very large amount of revenue over telegraph business, and that the proposed Agreement, or something in lieu of it, was likely to remedy this; therefore, from the point of view of the local Government, the matter had become a somewhat urgent matter of finance.

I have, &c.,

C. ALEXANDER HARRIS.

1760

No. 362.

THE SECRETARY OF STATE TO THE GOVERNOR.

(Sent 11.25 a.m., 22nd January, 1921.)

TELEGRAM.

22ND JANUARY. In continuation of my telegram 24th December,* on examination of proposed Agreement† with Marconi, His Majesty's Government observe that Imperial interests will be affected in following respects:—

(1) Company will have full and complete monopoly over all wireless in Newfoundland, and in connexion therewith, except purely Government wireless traffic.

(2) Whoever in future maintains present Admiralty Wireless Station at St. John's (sometimes referred to as Mount Pearl Wireless Station) will be prevented from handling commercial work, thus practically rendering the station of no value in peace time.

(3) Company will be in a position to refuse to co-operate with Imperial Chain Stations, or to allow any such stations to be erected in Newfoundland.

In view of above considerations of Imperial policy, His Majesty's Government hope that your Government will grant no complete monopoly, as forecasted in paragraph 21 of the Agreement, without safeguarding itself with regard to future Imperial schemes and the right of a Government station (e.g., St. John's) to handle commercial or other traffic as desired from time to time. Desirable also that there should be stipulation requiring observance of regulations of International Telegraph Convention. No objection to a private company erecting and working direction-finding or ship-to-shore stations provided they observe the regulations of the International Telegraph Convention, and will link up with Imperial scheme at later date if required.

As regards question of improving cable facilities for business with United Kingdom and neighbouring continent, His Majesty's Government would suggest most effective means of improving cable facilities between Newfoundland and Europe would be by extending the Port-aux-Basques-Canso cable to Halifax, as suggested in my Confidential despatch of 30th October, 1919.‡ Such a cable might be used not only for trans-Atlantic traffic, but also (by arrangement with the Canadian land line authorities) for traffic between Newfoundland and Canada. His Majesty's Government will be glad to learn whether it is not possible to adopt this course. Should your Government not be prepared to consider it possibly some relief could be afforded by taking off local messages at relay station on United Kingdom-Halifax line at Harbour Grace, although that would not be so satisfactory a solution as extension of Port-aux-Basques-Canso cable to Halifax.—MILNER.

* No. 360.

† Enclosure 1 in No. 358.

‡ No. 233.

35967

No. 363.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 19th July, 1921.)

[Answered by No. 364.]

(Confidential.)

SIR, Government House, St. John's, 4th July, 1921.
 REFERRING to my Confidential despatch of the 21st December, 1920,* on the subject of the proposed agreement with the Marconi Wireless Telegraph Company of Canada, I have the honour to enclose an extract from the *Evening Telegram* of the 28th ultimo containing certain criticisms on the failure of the Government to proceed with it.

2. I desire to call attention particularly to the allegation contained in the last paragraph of the extract as to an arrangement regarding direct wireless communication with the Dominion of Canada to which the Newfoundland Agreement was apparently to be sacrificed.

I have, &c.,

C. ALEXANDER HARRIS.

Enclosure in No. 363.

(Extract from the *Evening Telegram*, 28th June, 1921.)

WIRELESS TELEGRAPHY.

THE Government accused the Board of Trade last year as not being fit for a fourth class form, but the tables can be turned on the Government with far greater truth, when we look for a brief moment at the way the present incompetents are handling such an important matter as the Telegraph question. The life of our daily papers is to get the best news at the cheapest cost, and therefore we stand to the back of the Council of the Board of Trade in their efforts to get cheaper telegraph rates with foreign countries, which is life blood in extending business connexions.

At the recommendation of the Board of Trade the Government concluded a contract with the Marconi Wireless Company last September for the following:—

- 1st.—Cut Telegraph rates to Europe nearly half.
- 2nd.—Estimated revenue to the Government approximately \$60,000.
- 3rd.—Improved Labrador Service with several new stations, and extension to the Moravian settlements.
- 4th.—Erections of Stations on Signal Hill, Bay Bulls, and Grand Falls.
- 5th.—Installing new apparatus for giving steamers their exact position during foggy or bad weather when approaching the coast.
- 6th.—Installing Wireless Telephones similar to experiment on Signal Hill last summer.
- 7th.—New devices for sailing vessels.

These are a few of the projects in view to make *Newfoundland* one of the main world centres for Wireless Telegraphy. This contract was held up by Governor Harris all winter, and only recently it was found out that a Canadian British Scheme had used their influence to prevent Newfoundland proceeding with this work, because they were afraid it would conflict with a project they had in view for what they called an All British Company to connect the Dominions with England.

Our readers will be astounded when they hear that this All British Empire Wireless Telegraphy was to jump right over Newfoundland and to work from England direct with Canada. Further information has come to light that competent authorities have scrutinized in the minutest way both the plans of the Canadian British Service and that proposed by Newfoundland and they find they do not conflict in any way. With such facts before them any Government of business men would at once insist on the ratification of our Contract by the British authorities, but we find now that the Government appear determined to prevent the Marconi Company from going ahead with this beneficial work, and force this country to continue its present high tariff with the Cable Companies to the disadvantage of everyone who has any business to do.

These facts should be ventilated in the House of Assembly at once.

* No. 361.

40058

No. 364.

THE SECRETARY OF STATE to THE GOVERNOR.

[Answered by No. 365.]

(Confidential.)

SIR,

Downing Street, 27th August, 1921.

I HAVE the honour to acknowledge the receipt of your Confidential despatch of the 4th of July,* relative to the proposed agreement between the Newfoundland Government and the Marconi Wireless Telegraph Company of Canada.

2. The Postmaster-General, to whom a copy of your despatch was communicated, observes that the objection taken to the draft Agreement in the Post Office was limited to the monopoly provisions of the draft contract, and particularly to the extension of those provisions to the working of high-power stations for communicating with stations outside Newfoundland, in so far as this extension would be likely to embarrass arrangements for linking up the proposed Imperial Wireless Service with Newfoundland. The suggestions in the last two paragraphs of the newspaper extract enclosed in your despatch are not understood in the Post Office, and it is not seen on what grounds exception is taken by the Newfoundland Press to a scheme for "jumping right over" Newfoundland, inasmuch as the working of the contemplated station at Grand Falls would apparently have necessitated traffic between Newfoundland and the United Kingdom being transmitted via Canada in both directions. At the same time, if a station sufficiently powerful to reach this country direct should be erected in Newfoundland, the Postmaster-General sees no reason why a British station should not communicate direct with that station as well as with the proposed Government station in Canada.

3. With regard to the question of improving cable facilities for business with the United Kingdom and the neighbouring continent by the extension of the Port-aux-Basques-Canso cable to Halifax, the Postmaster-General states that the matter has been discussed with the various Telegraph Companies, and the present position explained to Mr. Coaker in a letter dated the 15th July, of which a copy is enclosed. No reply has yet been received from Mr. Coaker.

I have, &c.,

WINSTON S. CHURCHILL.

Enclosure in No. 364.

DEAR MR. COAKER,

General Post Office, London, E.C.1, 15th July, 1921.

WITH reference to our conversation in March last, we sent you a telegram on the 5th instant in the following terms:—

"Our telegram 31st May. Western Union offer provide special line Halifax-Canso reasonable terms. C.P.R. state existing lines capable carrying traffic, thus avoiding expense special line, and suggest contract similar draft furnished Newfoundland Government August, 1919. Unrouted traffic for Europe transferred Imperial-Halifax, allowing four cents Newfoundland Government, four C.P.R., 17 Imperial. McMillan coming London 25th July, take opportunity discuss matter. Please write if desired call attention any point."

The Western Union Company would charge about 8,170 dollars a year for a wire between Halifax and Canso with a further charge of about 5,000 dollars a year for providing and working a repeater at Canso, the latter charge being subject to increase or decrease with any rise or fall in the cost of the service to the Company.

We have just received from the Pacific Cable Board a copy of a letter from Mr. McMillan, of the C.P.R., in which he furnishes particulars of their scheme. A copy of this letter is enclosed. There would be no need to provide a special wire; and, as far as we are in a position to judge at present, the C.P.R. scheme would seem preferable to the other. We should be glad to be favoured informally with your views on the subject.

* No. 363.

By means of either arrangement, the Newfoundland Government and public would be enabled to make use of the Imperial cable, and it would be highly agreeable to us from every point of view if the whole of the "unordered" traffic from Newfoundland for the United Kingdom and Europe were sent by that route. Under the C.P.R. scheme there would also, apparently, be improved facilities for communication between Newfoundland and Canada.

Yours very truly,

F. J. BROWN.

The Hon. W. F. Coaker.

(File 4387. 3.)

J. Jarand, Esq.,
Superintendent,
Pacific Cable Board.
Montreal.

Canadian Pacific Railway,
Office of the Manager of Telegraphs,
Montreal, 30th June, 1921.

DEAR SIR,

REFERRING to your memorandum of the 27th.

The Canadian Pacific is anxious to complete the contract with the Government of Newfoundland for the handling of all their landline business for points in Canada and the United States. We would also agree that all "unordered" trans-Atlantic traffic from Newfoundland be routed Imperial.

In the draft of the contract we have the following clause:—

"Clause 2.—Receipts on all traffic so exchanged shall be divided as follows: The Government shall be entitled to its tariff rates between Canso and points in Newfoundland, and the Company shall be entitled to the tariff rates of the Company and its connexions between Canso and points outside Newfoundland, provided that the Government shall reimburse the Company for excess tolls which the Company may be obliged to pay a competitor on exchanged traffic for points not reached by the Company or its connexions. Provided, also, that the Company will pay to the Government the Company's proportion of tolls on trans-Atlantic traffic to or from Newfoundland and exchanged with the Commercial Cable Company at Canso."

The clause given you deals with landline traffic except the last clause, where special reference is made to cable traffic. The division of the cable rate of twenty-five cents between Newfoundland and Great Britain was to be twenty-one cents to the Commercial and four cents to the Government of Newfoundland. The reason that the Canadian Pacific is to receive no portion of these tolls is that the Newfoundland Government is to pay the cost of operation at the Canso end of the Newfoundland cable.

Would suggest that the rate from Newfoundland to Great Britain, via Imperial, be twenty-five cents, divided:—

Four cents per word to the Government of Newfoundland,

Four cents per word to the Canadian Pacific,

Seventeen cents per word to the Imperial,

on full rate traffic. This suggested rate would give the Canadian Pacific the same rate per word on this traffic that it receives from all Companies on traffic originating in the Eastern Zone. The Canadian Pacific would require to carry this traffic from Canso to Halifax, and we could not agree to accept from the Imperial a lower rate than our contract rate with the Commercial Cable Company.

Would suggest that whatever deferred rate is established between Great Britain and Newfoundland should be the same deferred rate as via other Companies, so that in event of interruptions to the Port-aux-Basque route, the public would pay the same rate and the Government would be enabled to transfer to other Companies without loss.

Would suggest that the division of the cable rate be placed before the Government of Newfoundland, so that they will understand that their proportion of cable traffic will be four cents per word on full rate traffic, whether routed via Imperial or Commercial.

We also emphasize the point that the Canadian Pacific will receive all landline traffic for Canada and the United States.

Yours truly,

J. McMILLAN,
General Manager of Telegraphs.

61944

No. 365.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 14th December, 1921.)

(Confidential.)
(Extract.)

SIR, Government House, St. John's, 28th November, 1921.

4. As regards your Confidential despatch of the 27th August last* the most practical question raised seems to be that of communication by cable. On this I recently sent for the Minister of Posts and Telegraphs and discussed with him the position of the matter. I gather from him that there is a division in the ranks of Ministers about it. He himself is anxious to carry out an arrangement on the lines of the letter, a copy of which was sent by the Postmaster-General of England and enclosed in your despatch of the 27th August. Apparently, however, the Prime Minister desires to negotiate with the Anglo-American Company. So far, I have been unable to find what reason may be at the back of a negotiation which certainly does not commend itself to the responsible Minister, i.e., of Posts and Telegraphs.

I have, &c.,

C. ALEXANDER HARRIS.

* No. 364.

SECTION VII (c): IMPERIAL COMMUNICATIONS (SHIPPING).

As regards the Report of the Imperial Shipping Committee on Bills of Lading,* it was decided to adopt the following Resolution:—

"The Conference approves the recommendations made in the Report of the Imperial Shipping Committee on the Limitation of Shipowners' Liability by Clauses in Bills of Lading, and recommends the various Governments represented at the Conference to introduce uniform legislation on the lines laid down by the Committee."

A Resolution was also adopted to the effect that, pending the constitution of a permanent Committee on Shipping, the existing Imperial Shipping Committee should continue its inquiries.

The representatives of His Majesty's Government and the Governments of New Zealand and India were ready to agree to a wider resolution recommending the constitution under Royal Charter of a permanent Committee to carry out the duties specified in the Report of the Imperial Shipping Committee dated 3rd June,† viz.:—

(i) To perform such duty as may be entrusted to them under laws in regard to Inter-Imperial Shipping, applicable to the whole or to important parts of the Empire;

(ii) To inquire into complaints in regard to ocean freights and conditions in Inter-Imperial trade or questions of a similar nature referred to them by any of the Governments of the Empire;

(iii) To exercise conciliation between the interests concerned in Inter-Imperial Shipping;

(iv) To promote co-ordination in regard to harbours and other facilities necessary for Inter-Imperial Shipping.

The representative of Canada, however, did not agree to this wider Resolution, and the representatives of the Commonwealth of Australia and the Union of South Africa reserved the matter for further consideration.

The position as regards rebates was discussed and strong representations were made by Dominion Ministers in regard to it, but no resolution was passed, it being understood that the matter is at present under consideration by the Imperial Shipping Committee.

Secretariat Note.—See under Resolutions XI. and XXIV. of the Imperial War Conference, 1918 (pages 123 and following of this volume).

* Published as [Cmd. 1305.]

† See Note on Page 139.

SECTION VII (d): IMPERIAL COMMUNICATIONS
(WIRELESS TELEPHONY)

"That the Radio Research Board be asked to investigate the subject of Wireless Telephony and to report on its development, whether Governmental or private.

"That the Postmaster-General shall supply to the Governments of the Dominions and India technical reports showing its position and possibilities."

Secretariat Note.—No correspondence with the Dominions took place on this subject until 1922.

SECTION VII (e): IMPERIAL COMMUNICATIONS (CABLE AND WIRELESS RATES FOR PRESS MESSAGES).

"The Committee agrees with the Resolution passed at the Second Imperial Press Conference, held at Ottawa in 1920, that any assistance given by the Governments of the Empire towards the reduction of rates for Press services by wireless and cable should appear specifically in the Estimates of Public Expenditure, and should be so directed as not to affect the quality of the news service supplied or the freedom of the newspapers so served.

The Committee is in full sympathy with the object of reducing rates, both by cable and wireless, for press messages, and recommends the most favourable examination by the Governments concerned of any practicable proposals to this end."

Secretariat Note.—See under Resolution IX of the Imperial War Conference, 1918 (page 96 and following of this volume).

SECTION X.: EMPIRE SETTLEMENT AND MIGRATION.

"The Conference having satisfied itself that the proposals embodied in the Report* of the Conference on State-Aided Empire Settlement are sound in principle, and that the several Dominions are prepared, subject to Parliamentary sanction and to the necessary financial arrangements being made, to co-operate effectively with the United Kingdom in the development of schemes based on these proposals, but adapted to the particular circumstances and conditions of each Dominion, approves the aforesaid Report.

The South African representatives wish to make it clear that the limited field for white labour in South Africa will preclude co-operation by the Union Government on the lines contemplated by the other Dominions.

(2) The Conference expresses the hope that the Government of the United Kingdom will, at the earliest possible moment, secure the necessary powers to enable it to carry out its part in any schemes of co-operation which may subsequently be agreed on, preferably in the form of an Act which will make clear that the policy of co-operation now adopted is intended to be permanent.

(3) The Conference recommends to the Governments of the several Dominions that they should consider how far their existing legislation on the subject of land settlement, soldier settlement and immigration, may require any modification or expansion in order to secure effective co-operation; and should work out, for discussion with the Government of the United Kingdom, such proposals as may appear to them most practicable and best suited to their interests and circumstances."

Secretariat Note.—See correspondence printed in Dominions No. 60.

* Printed as Appendix V of [Cmd. 1474.]

SECTION XI: BRITISH EMPIRE PATENT.

"The Committee recommends that a Conference of representatives of the Patent Offices of His Majesty's Dominions shall be held in London at an early date to consider the practicability of instituting a system of granting Patents which should be valid throughout the British Empire."

7

No. 366.

THE SECRETARY OF STATE TO THE GOVERNORS-GENERAL
AND GOVERNOR.

[Answered by Nos. 367, 368, 369, 370, and 371.]

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions. No. 25.)

[MY LORD DUKE,] [MY LORD,] [SIR,] Downing Street, 20th January, 1920.

I HAVE the honour to transmit to [Your Excellency,] [you,] to be laid before your Ministers, the accompanying copy of a letter from the Board of Trade on the question of the institution of a patent which should be valid throughout the British Empire.

I should be glad if you would invite your Ministers to furnish me with their observations on the proposal.

I have, &c.,
(For the Secretary of State).
L. S. AMERY.

Enclosure in No. 366.

SIR, Industrial Property Department, Board of Trade,
25, Southampton Buildings, London, W.C.2, 31st December, 1919.

I AM directed by the Board of Trade to say that, from time to time, representations have been made to them as to the desirability of instituting a patent which should be valid throughout the British Empire.

This subject has recently again become prominent in connexion with suggestions for amendments of the patent laws, and the Board are of opinion that the time has now come when the proposal for an Empire patent should be examined in detail in order to ascertain how far such a patent is practicable.

It is thought that the quickest and best method of dealing with the matter would be to submit the proposal to a special conference of representatives of the Patent Offices of His Majesty's Dominions at an early date.

I am accordingly to transmit herewith, for the information of the Secretary of State, copies of a memorandum by the Comptroller-General of Patents upon the subject, and to suggest that, if Lord Milner approves, this memorandum should be circulated to the various Governments of His Majesty's Dominions, who should at the same time be invited to send a representative from each of their respective Patent Offices to a conference on the matter to be held in London in the spring or early summer of 1920.

I have, &c.,
W. TEMPLE FRANKS,
Comptroller.

The Under Secretary of State,
Colonial Office.

"BRITISH EMPIRE PATENT."

Note by the Comptroller of the Patent Office, London.

It is constantly urged that Patents granted in the United Kingdom and the Dominions should be valid throughout the Empire. At the present time, separate patent rights have to be obtained in India and all the self-governing Dominions.

In the Crown Colonies, British patents are for the most part registered, and become valid in the Colony by registration. Under the existing system, all the self-governing Dominions, with the exception of South Africa, make an examination for novelty before the grant of patent rights. This is in addition to the investigation as to whether or not formalities have been properly observed. It is obvious, therefore, that an Empire Patent is practically impossible with the present system, as there is no security that a specification accepted in one country of the Empire will be accepted in another, or that amendment may not be required in each country modifying the original invention claimed. The United Kingdom cannot accept a Canadian or Australian specification without the examination required by the Patents Acts, 1907-19, and without the necessary amendments which may be required. Equally the Dominion Patent Offices will not necessarily grant a patent on a specification accepted in the United Kingdom to which patent rights have been accorded.

If an Empire patent is required, there would appear to be only two practicable methods for attaining the end.

1. The abolition of all local offices and the establishment of one Imperial Office for the receipt of applications for patents, examination and grant. The example often cited is the Patent Office at Washington, which grants patents throughout the United States. The chief objections raised to this proposal are:—

(a) That the United Kingdom and self-governing Dominions will be reluctant to give up their independent Patent Offices and forgo the fees which result from the procedure adopted under their respective laws as at present framed;

(b) There are practical inconveniences in the proposal.

If London were the seat of the Imperial Office it would entail the sending specifications from all the Dominions, and this would cause considerable delay, while the subsequent correspondence in reference to amendments, etc., which would necessarily ensue, might still further increase the difficulties and delay in securing patent rights. Though much can be done by agents on the spot, there are certain matters which must be referred to the inventor himself. It would be difficult to suggest another centre than London, as the United Kingdom patents are, at present, far more numerous, and possibly of greater importance, than the others granted in the Empire.

2. Alternatively the local Patent Offices might be retained both in the United Kingdom and throughout the Empire for the receipt of applications, for examination as to formalities, and for the grant of patent rights, but examination for novelty and power to demand amendments as a result would be abolished. The fees for such locally granted patents would be comparatively small.

In addition to the local offices, a central office for the whole Empire would be established where the locally granted patents would be recorded; all patents so recorded to have *prima facie* validity throughout the Empire, but the actual rights and scope of each patent to be determined in the Law Courts as and when any dispute arose. The Central Office, however, apart from its duties as a registering office, might be equipped for a search into novelty, and such search should comprise not only the patents of the Empire, but the specifications and publications of all the world. Any inventor who had already obtained a patent in one of the branch offices would have the right, on payment of a substantial fee, to have such search for novelty made in respect of his patent, and the specification amended as a result of the examinations reported. In such a case, the fact of the search having taken place would be recorded on the patent, and it would probably be advisable to have the new specification printed in a different form.

Such an examination would afford a very considerable security to the inventor, and be useful commercially. It would further prevent any necessity for having recourse to the German and American Patent Offices which purport to make universal search. Opposition in the Central Office would also have to be allowed on the part of any prior patentees, etc.

This probably is a more feasible proposal than 1. inasmuch as local rights are not disturbed. Small fees only are payable for an unexamined patent, and a really effective universal search is made for those who desire it on payment of a larger fee.

There is no substantial difference between the procedure and practice in the Dominions and that of the United Kingdom in Patent matters, although there are a few minor divergencies. The establishment of a Central Office would not in any way affect any special local regulations, such as those regarding working, etc., as

it would solely be concerned with the examination and search for anticipations, with oppositions and with the grant of a Patent, which would have in consequence a strong presumption of validity throughout the Empire.

The real complaints of inventors in the British Empire are:—

(1) The expenses and difficulty of obtaining patent protection throughout the Empire.

(2) The uncertainty as to the position and validity of his patent in the various parts of the Empire.

The establishment of a Central Office would go some way to meeting these complaints if the local fees were generally reduced. The Central Office might indeed finally become the means of transmitting the necessary documents and receiving the necessary fees for the purpose of obtaining patent rights in the various portions of the Empire.

It seems highly desirable, in view of the demands for a more simple and effective protection of inventions throughout the Empire, that some such scheme, of which but a bare outline is suggested above, should receive the consideration of the technical experts of the various Patent Offices throughout His Majesty's Dominions.

W. TEMPLE FRANKS.

23rd December, 1919.

16021

No. 367.

NEWFOUNDLAND.

THE GOVERNOR to THE SECRETARY OF STATE.

(Received 27th March, 1920.)

(No. 38.)

SIR, Government House, St. John's, 10th March, 1920.
I HAVE the honour to acknowledge the receipt of your despatch Dominions No. 25 of the 20th of January* on the question of the institution of a patent which should be valid throughout the British Empire.

2. The Minister of Justice has already had the question of the Patent Law under consideration, being of opinion that the present law of Newfoundland is in some particulars quite obsolete, and needs revision. Now in view of the proposals of the Board of Trade my Ministers will leave the further consideration of the matter until they know what is being done by the various Dominions and Colonies in consultation with the Imperial Authorities regarding the special proposal now put forward.

3. The High Commissioner in London is being instructed to keep in touch with the Board of Trade on the matter.

I have, &c.,
C. ALEXANDER HARRIS.

23418

No. 368.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11th May, 1920.)

[Answered by No. 373.]

(No. 203.)

MY LORD, Governor-General's Office, Cape Town, 22nd April, 1920.

I HAVE the honour to transmit to Your Lordship herewith, with reference to Your Lordship's despatch, Dominions No. 25, of the 20th January, 1920,* copy of a Minute from Ministers on the subject of the institution of a patent which should be valid throughout the British Empire.

I have, &c.,
BUXTON,
Governor-General.

* No. 366.

Enclosure in No. 368.

(No. 359.)

Prime Minister's Office, 20th April, 1920.

MINISTERS have the honour to acknowledge the receipt of His Excellency the Governor-General's Minute No. 57/32 of the 16th February transmitting for their consideration a copy of a despatch from the Secretary of State for the Colonies on the subject of the desirability of instituting a scheme under which letters patent having validity throughout the British Empire could be issued.

The abolition of the local Patent Office and the relegation of its functions to a central administration is an idea which, so far as the Union of South Africa is concerned, must, in the opinion of Ministers, be definitely eliminated from consideration. The maintenance of a patent law adapted to local conditions and the continuance of a local organization for the administration of that law are potent forces in the industrial development of a country, and Ministers would find themselves unable to agree to the adoption of any scheme which might tend, even remotely, to retard the operation and growth of such forces.

While a large number of inventors are content with protection in that part of the Empire in which they are resident or carrying on their business, Ministers recognize that where an inventor desires protection throughout the Empire considerable trouble and expense is, under the present system, occasioned him, and if it were practicable to devise a scheme under which an application to one authority by such an inventor would be all that was necessary, they would be prepared sympathetically to consider it. But power to issue letters patent enforceable in a particular part of the Empire could not, in the opinion of Ministers, be conceded without adequate guarantee that the laws of that part were duly regarded and the rights under those laws of persons resident or trading therein preserved, and Ministers apprehend that a central office would find much practical difficulty in attaining these ends.

If some definite principle in the matter were accepted by the United Kingdom and all the self-governing Dominions, a conference such as is suggested by the Board of Trade might be productive of good results, but Ministers fear that, in the absence of any such agreement, no definite results from such a conference could reasonably be anticipated. Ministers regret that they are unable to perceive in the note of the Controller of the Patent Office, London, which accompanied His Excellency's Minute now under reply the outline of any scheme which would be likely to form the basis of any such agreement.

J. C. SMUTS.

28886

No. 369.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 11th June, 1920.)

(No. 61.)

MY LORD, Government House, Wellington, 17th April, 1920.

WITH reference to your despatch of the 20th January, Dominions No. 25,* relative to the question of the institution of a patent which should be valid throughout the British Empire, I have the honour to inform Your Lordship that while my Government is in sympathy with the proposal, it regrets that the difficulties in the way of instituting such a patent prevent it from taking any action without the fullest consideration.

2. Although unable to concur in the holding of a Conference at present, my Ministers agree that an exchange of the views of the different countries concerned might be effected with advantage, and they will have a statement prepared on the matter for transmission to you.

I have, &c.,
LIVERPCOL,
Governor-General.

* No. 366.

31924

No. 370.

NEW ZEALAND.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 30th June, 1920.)

[Answered by No. 372.]

(No. 71.)

MY LORD,

Government House, Wellington, 15th May, 1920.

WITH reference to my despatch No. 61, of the 17th April,* and with further reference to your despatch, Dominions No. 25, of the 20th January,† on the subject of the institution of a British Empire Patent, I have the honour to transmit to Your Lordship herewith the statement to which reference was made in the concluding paragraph of my despatch referred to above.

2. As pointed out, the statement only refers briefly to certain aspects of the question, and a definite opinion must necessarily be deferred until further information is received and until the views of other parts of the Empire are known.

I have, &c.,

LIVERPOOL,

Governor-General.

Enclosure in No. 370.

BRITISH EMPIRE PATENT.

Notes on Memorandum of Comptroller, Patent Office, London.

THE promotion of inventions by facilitating applications has always been a feature of the policy of this country with regard to Patents.

With this object in view it has supported uniformity of law and practice throughout the Empire, and is in favour of the proposal of a single Patent for the whole Empire if that can be effected without undue sacrifice by any part. Though the question has been raised from time to time no satisfactory scheme has hitherto been formulated.

The first of the proposals now submitted, i.e.,

One Patent Office for the whole Empire and abolition of all local offices and separate branches by different countries, is desirable if practicable, but as it involves the loss of independent status and sacrifice of revenue by various parts of the Empire, delay in dealing with cases and other objections, the proposal does not appear to be a feasible one, and is not, apparently, thought by the Comptroller to be likely to commend itself to the countries concerned.

The alternative proposal, i.e.,

The maintenance of present local offices, and the full right to grant Patents to residents and others, but without power to examine into novelty and amend or reject applications on that account, and

The establishment of a Central Office where all locally granted Patents could be recorded to have *prima facie* validity throughout the Empire, and where a thorough search into novelty might be made on payment of a substantial fee, seems to offer a fair prospect of success.

In accordance with this scheme an inventor, by means of a single application in any part of the Empire, would obtain protection throughout it.

While New Zealand would undoubtedly benefit by this arrangement she would, however, only do so to a small extent as compared with the larger manufacturing countries, and would appear to be affected by it detrimentally in the following respects:—

(1) Although all applications would be recorded at the Central Office it would apparently be necessary for this country to record, index, and classify applications and specifications lodged throughout the Empire, in order to enable the Patents on any subject to be as far as possible readily ascertainable by the people of this country, which would be a work of considerable magnitude.

* No. 369.

† No. 366.

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(2) At present most of the revenue is derived from outside New Zealand either from British possessions or foreign states. By obtaining protection here by means of application in another part of the Empire without extra fees the revenue from both of the sources referred to would be lost.

(3) It is not clear whether local specifications would require to be printed here or whether all printing would be done at the Central Office. This country has not yet been able to see its way to print specifications, and although with the number reduced to local cases the cost would be considerably lessened it would still be heavy as compared with the amount likely to be derived from sales.

(4) As inventions of other countries though protected here from the date of application would not in most cases be available for inspection for a considerable time afterwards, inventors and manufacturers would be embarrassed by a much greater number of pending and unpublished cases than at present. The scheme, however, appears to be a considerable advance on any hitherto proposed, and the difficulties in the way of it, so far as this country is concerned, might be possibly to some extent removed by

Modifying the proposal that application in one part might be effective throughout the Empire without further action or fee by prescribing that

The applicant shall

- (1) Indicate the parts of the Empire in which he desires protection;
- (2) Pay such fees as may be prescribed in respect of each, and
- (3) Lodge, in addition to the other documents required, a copy of the specification for each country in which protection is desired.

The copies could be duly sent to the Central Office and the other countries concerned, and fees adjusted between them periodically. This course, while not possessing all the advantages of the scheme,

Would (with adjustment of fees, if necessary) avoid undue loss of revenue to countries like New Zealand, which would otherwise suffer financially under the scheme;

Would avoid local printing if otherwise necessary;

Would avoid protection of inventions in countries where it is not desired and where the inventions would not be worked. (It is recognized as desirable that protection should, as far as possible be restricted to inventions in use or about to be put into use.)

Would considerably lessen existing cost and simplify present procedure.

Without further information and consideration a definite opinion cannot be expressed on the matter, but leaving the maintenance of Central Office out of the question the alternative proposal, subject to the modifications proposed, and adjustment of working and matters of detail (which could only be satisfactorily dealt with at a Conference) appears likely to be successful and to merit careful investigation.

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No. 371.

CANADA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 6th July, 1920.)

(No. 432.)

MY LORD,

Government House, Ottawa, 25th June, 1920.

WITH reference to your despatch, Dominions No. 25 of the 20th January,* on the question of the institution of a patent which should be valid throughout the British Empire, I have the honour to transmit, herewith, copies of an Approved Minute of the Privy Council for Canada dealing with this matter.

I have, &c.,

DEVONSHIRE.

* No. 366.

Enclosure in No. 371.

CERTIFIED COPY OF A REPORT OF THE COMMITTEE OF THE PRIVY COUNCIL, APPROVED BY HIS EXCELLENCY THE GOVERNOR-GENERAL ON THE 17TH JUNE, 1920.

(P.C. 1372.)

THE Committee of the Privy Council have had before them a Report, dated 12th June, 1920, from the Secretary of State for External Affairs, to whom was referred a despatch, dated 20th January, 1920, from the Right Honourable the Secretary of State for the Colonies transmitting copy of a letter from the Board of Trade, proposing that there should be a special technical conference representative of the Patent Offices of the Empire to examine in detail the question of instituting a patent which should be valid throughout the Empire, in order to ascertain how far such a patent is practicable.

The Minister represents, with the concurrence of the Minister of Trade and Commerce, that:

(a) The desirability of a patent which should be valid throughout the Empire, having been affirmed in general terms by successive Colonial and Imperial Conferences since 1902, the Canadian Government agree that the consideration of the matter should be committed to a special conference of representatives of the Patent Offices of the Empire at an early date, in order to ascertain how far such a patent is practicable.

(b) The proposed special conference, in considering and making recommendations upon the technical aspects of the question, should be subject to the principle that, while co-operation and uniformity are desirable, each constituent part of the Empire should retain within its own jurisdiction the control of the patent laws affecting it, and of their administration.

The Committee concurring advise, on the recommendation of the Right Honourable the Secretary of State for External Affairs, that Your Excellency may be pleased to forward a copy of this Minute to the Right Honourable the Secretary of State for the Colonies, for the information of His Majesty's Government.

All of which is respectfully submitted for approval.

RODOLPHE BOUDREAU,
Clerk of the Privy Council.

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No. 372.

NEW ZEALAND.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

(No. 258.)

MY LORD,

Downing Street, 2nd December, 1920.

WITH reference to Lord Liverpool's despatch No. 71 of the 15th May* on the subject of the institution of a British Empire Patent, I have the honour to request Your Excellency to inform your Ministers that as regards their criticisms of the proposed scheme the Board of Trade desire to make the following observations:—

(1) There would appear to be no reason why the work of recording, indexing and classifying applications and specifications lodged throughout the Empire should not be done by the Central Office. In fact, it would seem highly desirable that the printing of specifications and indexes should be centralized as far as Empire patents are concerned. Each Dominion could, of course, prepare such indexes of its own patents as it thought desirable.

(2) As regards the possible loss of revenue to the New Zealand Government which might be entailed by the adoption of the scheme, while the revenue might suffer to some extent from the fact that a certain number of inventors would not file separate applications for patents in New Zealand, this loss would to some extent be met by the curtailment of the expenses of the Office in so far as the work at present done by the New Zealand Office would be done by the Central Office.

(3) The objection raised with regard to the necessity for printing specifications might be met by the Central Office undertaking the duty as suggested above.

* No. 370.

(4) As regards the possible delay in the publication of specifications this would no doubt occur to some extent, but since specifications are not at present printed in New Zealand any delay which might occur would not appear to affect the public seriously in New Zealand. Moreover, it may be noted that delay does at present arise as regards applications filed under the International Convention, such applications not being open to inspection until twelve months after the date of filing in the country of origin. The disadvantages which might arise, in this respect, under the proposed scheme would not, it is thought, be much greater than at present exist. The normal time for acceptance in England is fifteen months from the date of application; if this were retained for Empire patents and were taken advantage of by inventors, which would not happen in every case, it would merely be an extension of three months beyond the time fixed for the publication of specifications filed under the International Convention.

2. The Board of Trade are of opinion that all these questions are such as might well be discussed at a conference of technical delegates, and they hope that the New Zealand Government will see their way to take part in the proposed conference. The Governments of Canada, Newfoundland, and India have agreed to participate in such a conference, while the Board of Trade are still in communication with the Governments of the Commonwealth of Australia and the Union of South Africa on the subject.

I have, &c.,
MILNER.

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No. 373.

UNION OF SOUTH AFRICA.

THE SECRETARY OF STATE TO THE GOVERNOR-GENERAL.

[Answered by No. 374.]

(No. 482.)

SIR,

Downing Street, 2nd December, 1920.

WITH reference to Lord Buxton's despatch No. 203, of the 22nd April,* on the subject of the institution of a British Empire Patent, I have the honour to state, for the information of Your Royal Highness's Ministers, that the Board of Trade fear that some misunderstanding may exist as regards the second proposal contained in the memorandum by the Comptroller-General of Patents, Designs, and Trade Marks, which formed the enclosure to my despatch Dominions No. 25, of the 20th January.†

2. It was not intended to suggest that the local Patent Offices should surrender their rights to grant patents: in the above-mentioned memorandum there is a statement to the effect that "the local Patent Offices might be retained both in the United Kingdom and throughout the Empire for the receipt of applications, for examination as to formalities, and for the grant of patent rights." Further, it was proposed that while all patents recorded in the Central Office should have *prima facie* validity throughout the Empire, the actual rights and scope of each patent should be determined in the respective Law Courts as and when any dispute arose.

3. The Board of Trade are of opinion that the points raised in Ministers' minute of 20th April,‡ are such as might well be discussed at a conference of technical delegates, and they hope that the Union Government will see their way to take part in the proposed Conference. The Governments of Canada, Newfoundland, and India have agreed to participate in such a Conference, while the Board of Trade is still in communication with the Governments of the Commonwealth of Australia and of New Zealand on the subject.

I have, &c.,
MILNER.

* No. 368.

† No. 366.

‡ Enclosure in No. 368.

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No. 374.

UNION OF SOUTH AFRICA.

THE GOVERNOR-GENERAL to THE SECRETARY OF STATE.

(Received 18th May, 1921.)

(No. 247.)

SIR, Governor-General's Office, Cape Town, 27th April, 1921.
I HAVE the honour to transmit to you herewith, with reference to Lord Milner's despatch No. 482, of the 2nd December, 1920,* copy of a minute from Ministers on the subject of the institution of a British Empire Patent.

I have, &c.,

ARTHUR FREDERICK,
Governor-General.

Enclosure in No. 374.

MINUTE No. 398.

Prime Minister's Office, 26th April, 1921.

MINISTERS have the honour to refer to His Royal Highness the Governor-General's minute No. 57/46, of the 30th of December, 1920, on the subject of a British Empire Patent, and to state that they will endeavour to arrange for the suitable representation of the Union Patents Office at the proposed Conference of technical delegates.

J. C. SMUTS.

No. 375.

EXTRACT FROM THE REPORT OF A COMMITTEE PRESIDED OVER BY
THE SECRETARY OF STATE FOR THE COLONIES, DATED 19TH
JULY, 1921.

The Committee considered the memorandum prepared by the Board of Trade (E 3),† and passed the following resolution:—

"The Committee recommends that a Conference of Representatives of the Patent Offices of His Majesty's Dominions shall be held in London at an early date to consider the practicability of instituting a system of granting patents which should be valid throughout the British Empire."

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No. 376.

THE SECRETARY OF STATE to THE GOVERNORS-GENERAL AND GOVERNOR.

(For the answer to this despatch see Dominions No. 83.)

(Canada.

(Commonwealth of Australia.

(New Zealand.

(Union of South Africa.

(Newfoundland.

Dominions No. 469.)

[MY LORD,] [SIR,]

Downing Street, 24th November, 1921.

WITH reference to my predecessor's despatch, Dominions No. 25 of the 20th January, 1920,‡ and connected correspondence on the subject of the establishment of an Empire Patent and to the Recommendation adopted at the recent meetings of Prime Ministers and representatives of the United Kingdom, the Dominions and India, printed on page nine of the Parliamentary Paper [Cmd. 1474] containing a

* No. 373.

† Printed in page 63 of [Cmd. 1474.]

‡ No. 366.

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END.

Summary of the Proceedings, of which copies were enclosed in my despatch Dominions No. 335 of the 19th August,* I have the honour to state, for the information of [Your Excellency's] [Your Royal Highness's] [your] Ministers, that the Board of Trade suggest that the opening day of the proposed Conference of representatives of the Patent Offices of His Majesty's Dominions, should be fixed for the 1st May, 1922.

2. The Board of Trade do not feel able to draw up a detailed Agenda, as the procedure to be adopted would naturally be determined by the Conference itself. In accordance, however, with the above-mentioned Recommendation, the business of the Conference would be to discuss the practicability of instituting a system of granting patents which should be valid throughout the British Empire, and the memorandum enclosed in the despatch under reference would be put forward as a basis for discussion.

3. It would be convenient for the Board of Trade to know as soon as possible whether the date suggested above is acceptable to your Ministers, and also who will be the representative of [Canada] [the Commonwealth of Australia] [New Zealand] [the Union of South Africa] [Newfoundland] at the Conference.

I have, &c.,

WINSTON S. CHURCHILL.

SECTION XII: NATIONALITY.

"The Committee, having considered the memorandum prepared in the Home Office regarding the nationality of the children born abroad of British parents, commends the principle of the proposals contained therein to the favourable consideration of the Governments of the Dominions and India."

Secretariat Note.—See under Resolutions XIX. and XX. of the Imperial War Conference, 1918 (pages 185 and following of this volume).

* 41931: see Note to No. 329.